

2850 MCQ

2024
Edition

UGC NET JRF Commerce

Previous Years' Questions Unit Wise

2012 June to 2023 December (43 Papers)

Useful For

UGC- NET JRF Commerce

Assistant Professor

PhD Entrance - Commerce

SET Commerce

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The trend of the last 15 question papers

Unit-wise Question Paper Bifurcation of New Syllabus Effective from 2019 June

Unit No.	I	II	III	IV	V	VI	VII	VIII	IX	X	Total
2019 June	10	9	10	11	10	9	13	10	8	10	100
2019 December	10	9	9	8	9	10	13*	13*	9	10	100
2020 October Shift I	12*	5	10	12	10	14*	6	12	8	11	100
2020 October Shift II	10	14	13	7	6	13*	11*	14	6	6	100
2021 25 th Nov Shift I	15*	15*	7	9	9	9	10	11	6	9	100
2021 25 th Nov Shift II	14	9	10	6	10	12	14	9	7	9	100
2021 26 th Nov Shift III	9	10	12*	8	8	10	13*	11	9	10	100
2022 29 th September Shift I	6	15*	12	7	13	10	12*	12	6	7	100
2022 29 th September Shift II	9	11	8	9	8	15*	13*	9	8	10	100
2022 14 th October Shift I	10	10	11	8	9	10	6	15*	13*	8	100
2023 4 th March Shift I	13*	10	9	10	10	9	14*	10	6	9	100
2023 4 th March Shift II	16	9	8	10	8	14	11	10	6	8	100
2023 13 th June Shift I	9	8	8	9	9	11	18**	10	9	8	100
2023 13 th March Shift II	10	9	8	11	9	9	11	9	6	9	100
2023 7 th December	10	10	12*	7	9	10	9	11	10	8	100

* - indicate paragraph questions in that unit.

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UNIT 1: Business Environment & International Business

Previous Year Questions Pattern

200 Questions

Year	Month	Paper	No. of Questions
2023	December	7 December	10
	June	13 June Shift I	9
		13 June Shift II	10
	March	4 March Shift I	13*
		4 March Shift II	16*
2022	September	29 Sep Shift I	6
		29 Sep Shift II	9
	October	14 Oct Shift I	10
2021	November	25 Nov Shift I	15*
		25 Nov Shift II	14*
		26 Nov Shift I	9
2020	October	Shift I	12*
		Shift II	10
2019	June	Paper 2	10
	December	Paper 2	10
2018	July	Paper 2	16
	December	Paper2	21

* - Passage

2018 July Paper II

1. The central bank can significantly influence the savings, investments and consumer spending in the economy through which of the following policy?
 - (a) Fiscal policy
 - (b) Monetary policy
 - (c) Industrial Policy
 - (d) Foreign Exchange policy
2. Which one of the following is not the characteristic of capitalism?
 - (a) Individuals and associations behave with economic motive of maximising their profit with least sacrifice or cost
 - (b) The country's major means of production are either owned by the Government or their use is controlled by the Government
 - (c) Producers, consumers and employees compete among themselves, as the resources and opportunities are limited.
 - (d) Price the invisible hands, plays a predominant role in the flow of the factors of production and consumption.
3. Which of the following is not the salient feature of the industrial policy developments since 1991?
 - (a) The scope of the private sector has been enormously expanded.
 - (b) Public sector has been width drawing partially or fully from several of the enterprises by divestment.
 - (c) The Indian industry is increasingly exposed to foreign competition
 - (d) Monopoly or dominant position for the public sector in most of the industries and control of the commanding heights of the economy by the public sector.

4. Assertion (A) : An export processing zone is different from free trade zone as it promotes units primarily devoted to exports.
Reasoning (R) : Good imported to a free trade zone may be re-exported without any processing in the same form. But, goods exported by units in an EPZ are expected to have undergone some value addition by manufacturing/processing.

Code :

- (a) (A) is correct and (R) is correct explanation (A).
- (b) (A) is correct but (R) is not the correct explanation (A)
- (c) (A) is correct but (R) is incorrect
- (d) (A) is an incorrect but (R) is a correct.

5. Match the items of List-II with the items of List-I relating to liberisation of agricultural trade.

List-I	List-II
(a) Tariffication	(i) They have demonstrably adverse effects on other member countries
(b) Prohibited subsidies	(ii) They act on good which are contingent upon export performance.
(c) Actionable subsidies	(iii) Replacement of existing non-tariff restrictions
(d) Non-actionable subsidies	(iv) For Industrial research in disadvantaged regions.

Code :

- (a) (a)-(ii), (b)-(iii), (c)-(i), (d)-(iv)
- (b) (a)-(iv), (b)-(i), (c)-(ii), (d)-(iii)
- (c) (a)-(iii), (b)-(ii), (c)-(i), (d)-(iv)
- (d) (a)-(ii), (b)-(iv), (c)-(iii), (d)-(i)

6. Match the items of List-II and with the items of List-I relating to WTO impact :

List-I	List-II
(a) NAMA	(i) Liberalisation of international investments.
(b) GATIS	(ii) Includes industrial goods, textile, jewellery, fish and fisheries product manufacturing industries.
(c) TRIMs	(iii) Liberalisation of trade in goods and services.
(d) TRIPs	(iv) Provides monopoly power to owners of intellectual property.

Code :

- (a) (a)-(ii), (b)-(i), (c)-(iv), (d)-(iii)
- (b) (a)-(iv), (b)-(ii), (c)-(iii), (d)-(i)
- (c) (a)-(ii), (b)-(iii), (c)-(i), (d)-(iv)
- (d) (a)-(iii), (b)-(ii), (c)-(iv), (d)-(i)

7. Indicate the correct code of the following statements being correct or incorrect. The statements relate to the type of transactions recorded in the current/capital accounts of the Balance of Payments.

Statement (I) : The capital account consists of long-term capital transactions only.

Statement (II) : The current account includes all transactions which give rise to or use up national income.

Code :

- (a) Both the statement are correct.
- (b) Both the statements are incorrect
- (c) Statement (I) is correct while Statement (II) is incorrect
- (d) Statement (I) is incorrect while statement (II) is correct

8. Select the correct code of the following statements being correct or incorrect.

Statement (I) : International liquidity encompasses the international reserves only.

Statement (II) : International liquidity covers only official holdings of gold, foreign exchange, SDRs and reverse position in the IMF available for the settlement of the international transactions.

Code :

- (a) Both the statement are correct.
- (b) Both the statements are incorrect
- (c) Statement (I) is correct while Statement (II) is incorrect
- (d) Statement (I) is incorrect while statement (II) is correct

9. Match the items of List-II with the items of List-I and select the code of correct matching. The items relate to International Trade Theories

List-I	List-II
(A) Comparative Cost Theory	(i) Adam smith
(B) Opportunities Cost Theory	(ii) Gottfried Haberler
(C) Factor Endowment Theory	(iii) David Ricardo
(D) Absolute Cost Theory	(iv) Eli Heckscher and Bertil Ohlin

Code :

- (a) (A)-(i), (B)-(ii), (C)-(iii), (D)-(iv)
- (b) (A)-(iii), (B)-(ii), (C)-(iv), (D)-(i)
- (c) (A)-(iv), (B)-(iii), (C)-(ii), (D)-(i)
- (d) (A)-(i), (B)-(iv), (C)-(iii), (D)-(ii)

10. Which one of the following is not the guiding principle of the World Bank regarding it's lending operations?

- (a) Proper assessment of the repayment prospect of loans
- (b) Lending should be only for specific projects which are economically and technically sound and of a high priority nature.
- (c) The lending should be to enable a country to meet foreign exchange content of the project cost.
- (d) The bank does expect the borrowing country to spend the loan in a particular country.

11. In recent years which among the following countries has been the largest source of foreign investment in India?

- (a) Australia
- (b) Japan
- (c) China
- (d) Mauritius

12. Assertion (A): The Government of India has been opening up domestic market to foreign players in baby steps.

Reasoning (R): Allowing foreign firms free play in India's retail sector has always been a political hot potato.

Code:

- (a) (A) and (R) both are correct; and (R) is the right explanation of (A)
- (b) (A) and (R) both are correct; and (R) is not the right explanation of (A)
- (c) (A) and (R) both are incorrect.
- (d) (A) is correct; but (R) is incorrect

13. Select the correct code of the following statements being correct or incorrect.

Statement (I): A Global Depository Receipt (GDR) is a bank certificate issued in more than one country for shares in a foreign company.

Statement (II): A GDR is very similar to American Depository Receipt (ADR)

Statement (III): GDRs are called EDRs when private markets are attempting to obtain Euros.

Code:

- (a) Statements (I), (II) and (III) are correct.
- (b) Statement (I) and (II) are correct but (III) is incorrect
- (c) Statement (I) and (III) are correct but (II) is incorrect
- (d) Statement (II) and (III) are correct but (I) is incorrect

14. In December 1999, European commission members signed a treaty that committed them to adopting a common currency known as Euro. This is better known as :

- (a) Treaty of Rome
- (b) Treaty of Maastricht
- (c) Treaty of Lisbon
- (d) Treaty of London

- 15.** Select the correct code of the following statements being correct or incorrect.
 Statement (I) : The ‘law of one price’ states that in competitive markets free of transportation costs and barriers to trade, identical products sold in different countries must sell for the same price when their price is expressed in terms of the same currency.
 Statement (II) : An ‘Efficient market’ has no impediments to the free flow of goods and services, such as trade barriers.
 (a) Statements (I) is correct but (II) is incorrect.
 (b) Statement (II) is correct but (I) is incorrect
 (c) Both statements (I) and (II) are correct
 (d) Both statements (I) and (II) are incorrect.
- 16.** Which among the following is not a correct statement regarding patent?
 (a) A patent is a legal protection granted for an invention that is new, non-obvious and useful.
 (b) The patent grants the patent holder the exclusive right to make use or sell the patented products or process.
 (c) The exclusive purpose of the patent system is to benefit the patent holder.
 (d) The Indian Patent Act, 1970, was amended and made effective from January 1, 2005.

Answer Key

1 (b)	2 (b)	3 (d)	4 (a)	5 (c)	6 (c)	7 (d)	8 (d)	9 (b)	10 (d)
11 (d)	12 (b)	13 (a)	14 (b)	15 (c)	16 (c)				

2018 December Paper II

- 1.** Match the items of List I with the items of List II and choose the correct answer from the code given below.

List I	List II
(A) Rival Firms	(i) External Environment
(B) Technology	(ii) Social and Cultural Environment
(C) Improving Quality	(iii) Internal Environment
(D) Ethics in Business	(iv) Global Environment

Code :

- (a) (A) - (iv), (B) - (i), (C) - (ii), (D) - (iii) (b) (A) - (iii), (B) - (i), (C) - (iv), (D) - (ii)
 (c) (A) - (i), (B) - (ii), (C) - (iii), (D) - (iv) (d) (A) - (ii), (B) - (iii), (C) - (iv), (D) - (i)

- 2.** The Industrial Policy, 1956 has been prompted by which combination of the following development ?

- (i) Adoption of the Constitution of India.
 (ii) Implementation of Economic Planning.
 (iii) Acceleration of Economic Growth and Industrialization.
 (iv) Availability of Sufficient Funds for Investment in Public Sector.

Choose the correct answer from the code given below:

Code:

- (a) Only (ii) and (iv) (b) Only (i), (ii) and (iv)
 (c) Only (ii),(iii) and (iv) (d) Only (i) and (ii)

- 3.** Choose the correct code for the following statements being correct or incorrect.

Statement I: Intellectual Property (IP) is a category of property that includes intangible creations of the human intellect.

Statement II : IPR does not include trade secrets and moral rights.

Code:

- (a) Statement II is correct, but I is incorrect. (b) Both the Statement I and II are correct.
 (c) Both the Statement I and II are incorrect. (d) Statement I is correct, but II is incorrect.

- 4.** Which one of the following statements is/are true?

Second generation reforms in our country do not comprise of which one of the following ?

- (a) Clean environment
 (b) Growing Indian transnational corporations
 (c) Exploiting the knowledge based global economy
 (d) Population control measures

- 5.** Indicate the most popular route of privatisation adopted by the Government of India in recent decades.
 (a) Management-Employee Buyout (b) Cross Holdings
 (c) Strategic sale (d) Spontaneous Privatization
- 6.** For the following two statements regarding infrastructural services in the country, choose the correct code for the statements being correct or incorrect.
 Statement I : Most infrastructure services are provided by public monopolies which generally suffer with severe problems like lack of accountability, low productivity, poor financial performance and over-employment.
 Statement II : There is a need now to induce more private sector investment and participation in provision of social overheads as it may encourage better risk sharing, accountability, monitoring and management of infrastructure sector.
 Code :
 (a) Both I and II are correct. (b) I is correct, but II is incorrect
 (c) Both I and II are incorrect. (d) I is incorrect, but II is correct.
- 7.** Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R). Read the statements and choose the correct answer using the code given below.
 Assertion (A) : Consumers need to be given legal protection against certain trade practices and business methods.
 Reason (R) : Protection as per market forces and ‘Caveat Emptor’ is not enough as perfectly competitive market is an economist’s dream and consumer sovereignty is a myth.
 (a) Both (A) and (R) are correct but (R) is not the right explanation of (A)
 (b) Both (A) and (R) are correct but (R) is the right explanation of (A)
 (c) (A) is incorrect but (R) is correct.
 (d) (A) is correct but (R) is incorrect.
- 8.** Which of the following are included in the international liquidity ? Indicate the correct code.
 (i) Foreign exchange reserve
 (ii) Borrowing capacity of the various countries
 (iii) Gold reserve
 Choose the correct answer from the code given below :
 Code:
 (a) (i) and (iii) (b) (i) and (ii)
 (c) (ii) and (iii) (d) (i), (ii) and (iii)
- 9.** The companies having business in a large number of countries around the world at present are called
 (a) Transnational Corporations (TNCs) (b) Global Corporations (GCs)
 (c) Multinational Enterprises (MNEs) (d) Multinational Corporations (MNCs)
- 10.** Match the items of List I with the items of List II and choose the correct answer from the code given below.
- | List I | List II |
|--|----------------------------|
| (A) Direct investment overseas aimed at manufacturing products not manufactured by the firm in the home country. | (i) Inward FDI |
| (B) Direct investment in a foreign country aimed to sell the output of the firm’s domestic production | (ii) Backward Vertical FDI |
| (C) Direct investment overseas aimed at providing inputs from the firms production process in the home country. | (iii) Conglomerate FDI |
| (D) Foreign firms investing overseas and taking control over foreign assets. | (iv) Forward Vertical FDI |
- Code :
 (a) (A) - (iii), (B) - (ii), (C) - (i), (D) - (iv) (b) (A) - (i), (B) - (iv), (C) - (ii), (D) - (iii)
 (c) (A) - (iii), (B) - (iv), (C) - (ii), (D) - (i) (d) (A) - (iv), (B) - (iii), (C) - (ii), (D) - (i)
- 11.** Which one of the following is the main government agency responsible for development and monitoring international trade in India?
 (a) Federation of Indian Export Organisations (b) Indian Institute of Foreign Trade
 (c) Department of Commerce (d) Export Promotion Council
- 12.** The theory suggesting that the patterns of international trade are determined by factor endowment rather than productivity was propounded by which of the following?
 (a) Michael Porter (b) David Ricardo
 (c) Heckscher and Bertil Ohlin (d) Adam Smith

- 13.** Which one of the following is not the basic function of WTO ?
 (a) To facilitate the expansion and balanced growth of international trade
 (b) To settle differences and disputes among its member countries
 (c) To carry out periodic reviews of the trade policies of its member countries
 (d) To facilitate the implementation, administration and operation of trade agreements
- 14.** In which one of the following modes of entry into foreign market are risk and profit potential the highest ?
 (a) Joint ventures (b) Indirect exporting
 (c) Direct exporting (d) Direct investment
- 15.** Who among the following is not an observer country of the SAARC ?
 (a) Canada (b) Iran
 (c) USA (d) China

- 16.** Match the items of List I with the items of List II and choose the correct answer from the code given below.

List-I	List -II
(A) Balance of trade	(i) Imports and exports of goods and services and unilateral transfer of goods and services
(B) Current account	(ii) Transactions leading to changes in the financial assets and liabilities of a country
(C) Balance of payments	(iii) All economic transactions between a country's residents and residents of other countries
(D) Capital account	(iv) Value of exports and imports of a country

Code :

- (a) (A) - (i), (B) - (ii), (C) - (iii), (D) - (iv) (b) (A) - (iv), (B) - (iii), (C) - (ii), (D) - (i)
 (c) (A) - (iii), (B) - (ii), (C) - (iv), (D) - (i) (d) (A) - (iv), (B) - (i), (C) - (iii), (D) - (ii)
- 17.** Choose the correct code for the following statements being correct or incorrect.
 Statement I : FX Spot is an agreement between two parties to buy one currency against selling another currency at an agreed price for settlement on the spot date.
 Statement II : ;The date of maturity of a forward contract is more than two business days in future.
 Code :
 (a) Statement II is correct, but I is incorrect. (b) Both the statements I and II are correct.
 (c) Statement I is correct, but II is incorrect. (d) Both the statements I and II are incorrect..
- 18.** Given below are two statements, one labelled as Assertion (A) and the other labelled as Reason (R). Read the statements and choose the correct answer using the code given below.
 Assertion (A) : The multilateral trading system is an attempt by governments to make the business environment stable and predictable.
 Reason (R) : Promising not to raise trade barriers can be as important as lowering one, because the promise gives businesses a clearer view of their future market opportunities.
 Code :
 (a) Both (A) and (R) are correct but (R) is the right explanation of (A).
 (b) Both (A) and (R) are incorrect.
 (c) (A) is correct but (R) is incorrect.
 (d) Both (A) and (R) are correct but (R) is not the right explanation of (A).
- 19.** Foreign investment can be made through which of the following routes?
 (i) Foreign Direct Investment (FDI)
 (ii) Foreign Portfolio Investment (FPI)
 (iii) Private Equity Investment (PEI)
 (iv) Foreign Venture Capital Investors (FVCI)
 Choose the correct answer from the code given below :
 Code :
 (a) (i),(iii) and (iv) (b) (i),(ii),(iii) and (iv)
 (c) (i) and (iv) (d) (i),(ii) and (iv)
- 20.** Bretton Woods Conference resulted into the establishment of which of the following?
 (a) IMF and IBRD (b) IDA and ADB
 (c) IBRD and IFC (d) IMF and IDA

- 21.** 'Finance for exporting companies' as part of major programmes of the Exim Bank of India does not include
- (a) Overseas investment finance (b) Post-shipment credit
(c) Term loans (d) Working capital

Answer Key

1 (b)	2 (b)	3 (d)	4 (d)	5 (c)	6 (d)	7 (a)	8 (d)	9 (b)	10 (c)
11 (c)	12 (c)	13 (a)	14 (d)	15 (a)	16 (d)	17 (b)	18 (a)	19 (b)	20 (a)
21 (b)									

2019 June Paper II

1. Match List – I with List – II

List – I	List – II
(A) Fiscal, monetary and industrial policies	(i) Social responsibilities.
(B) Social obligations towards several stakeholders	(ii) Stakeholders/interest group
(C) Consumers, shareholders, suppliers, creditors etc.	(iii) Business ethics
(D) Moral principles that defines the right or wrong	(iv) Economic policies

Choose the correct option from those given below :

- (a) (A) - (iii), (B) - (i), (C) - (iv), (D) - (ii) (b) (A) - (i), (B) - (ii), (C) - (iv), (D) - (iii)
(c) (A) - (ii), (B) - (iv), (C) - (iii), (D) - (i) (d) (A) - (iv), (B) - (i), (C) - (ii), (D) - (iii)
- 2.** Quantitative import restrictions that limit the quantity of a product being imported is called
- (a) Embargo (b) Quota
(c) Trade restraint (d) Import tariff
- 3.** Which of the following is an instance of non-conventional dumping ?
- (a) Sporadic dumping (b) Predatory dumping
(c) Reverse dumping (d) Persistent dumping
- 4.** Which of the following is true about India Trade Policy (Export-Import), 2015-2019?
- (i) Doubling the exports (both merchandise and services)
(ii) Achieve 3.5% share in global exports
(iii) Introduced two new schemes (MEIS and SEIS)
(iv) Introduced simplified Aayat-Niryat Form

Choose the correct answer from the following:

- (a) (i) and (ii) only (b) (i) and (iii) only
(c) (i), (ii) and (iii) only (d) All are correct
- 5.** Which is the most appropriate mode of entry in international business to an enterprise with little experience of international markets?
- (a) Acquisition (c) Joint Venture
(b) Strategic Alliance (d) Exporting

6. Match List – I with List – II

List – I (Trade and Finance Institution)	List – II (Headquarters)
(A) WTO	(i) Brussels
(B) IMF	(ii) Geneva
(C) FAO	(iii) Washington
(D) EU	(iv) Rome

Choose the correct option from those given below :

- (a) (A) - (ii), (B) - (iii), (C) - (iv), (D) - (i) (b) (A) - (i), (B) - (ii), (C) - (iii), (D) - (iv)
(c) (A) - (iii), (B) - (ii), (C) - (i), (D) - (iv) (d) (A) - (i), (B) - (iii), (C) - (ii), (D) - (iv)
- 7.** Which among the following institutions is NOT a part of World Bank group ?
- (a) International Development Association (IDA)
(b) International Monetary Found (IMF)
(c) International Finance Corporation (IFC)
(d) Multilateral Investment Guarantee Agency (MIGA)

8. After US dollar, which of the following currencies has largest weightage in determining the value of SDR ?
 (a) Japanese Yen (b) Euro
 (c) Chinese Yuan (Renminbi) (d) British Pound
9. One belt, one road initiative (BRI) is NOT intended to
 (a) Trade protectionism (b) Strengthening logistic and supply chain
 (c) Improve cost competitiveness (d) Rebalance trade dominance
10. Redressal mechanism for consumer disputes under Section 9 of the Consumer Protection Act envisages a
 (a) Single-tier system (b) Two-tier system
 (c) Three-tier system (d) Open system independent of hierarchy

Answer Key

1 (d)	2 (b)	3 (c)	4 (d)	5 (d)	6 (a)	7 (b)	8 (c)	9 (a)	10 (c)
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2019 Dec Paper II

1. Match List I with List II

List I	List II
(A) Size of the market	(i) Globalisation of business
(B) Demographic environment	(ii) Foreign trade policy
(C) Export-oriented units	(iii) Macro-environment
(D) Multinational corporations	(iv) Non-economic environment

Choose the correct option from those given below:

- (a) (A) – (iv); (B) – (ii); (C) – (iii); (D) – (i) (b) (A) - (ii); (B) – (iii); (C) – (i); (D) – (iv)
 (c) (A) - (iii); (B) – (ii); (C) – (i); (D) – (iv) (d) (A) - (iii); (B) – (iv); (C) – (ii); (D) – (i)
2. Which one is odd?
 (a) Economic policies (b) Economic planning
 (c) Socio-cultural factors (d) Macro-economic scenario
3. Which of the following laws affect business organisations?
 (a) Incorporation and Bankruptcy Laws (b) Environmental Protection Laws
 (c) Occupational Health and Safety Laws (d) Competition Laws
4. Which of the following is NOT correct according to the Consumer Protection Act?
 (a) District Forum shall consist of a lady social worker.
 (b) State Commission shall consist of person who is or has been a judge of a High Court.
 (c) District Forum shall consist of four members.
 (d) National Consumer Disputes Redressal Commission shall consist of a person who is or has been a Judge of the Supreme Court
5. According to FEMA, foreign exchange does NOT include:
 (a) Deposits payable in any foreign currency
 (b) Bills of exchange drawn in Indian currency but payable in any foreign currency
 (c) Travellers cheques drawn by institutions outside India but payable in Indian currency
 (d) Drafts drawn by banks outside India and payable in foreign currency
6. Which of the following are part of Corporate Social Responsibility (CSR) to consumers?
 (i) Reasonable chances and proper system for accomplishment and promotion
 (ii) To supply goods at reasonable prices even when there is seller's market
 (iii) Improving the efficiency of the business operation
 (iv) To provide an opportunity for being heard and redress genuine grievances
 Choose the correct answer from the options given below:
 (a) (i) and (ii) (b) (ii) and (iv)
 (c) (ii) and (iii) (d) (i) and (iii)
7. What are the drivers of globalization?
 (i) Population mobility especially of labour
 (ii) Financial flows
 (iii) Exporting
 (iv) Assembly operations
 Choose the correct answer from the following:
 (a) (i) and (iv) (b) (ii) and (iv)
 (c) (i) and (ii) (d) (iii) and (iv)

- 8.** Which one of the following is not the basic function of WTO ?
 (a) To facilitate the expansion and balanced growth of international trade
 (b) To settle differences and disputes among its member countries
 (c) To carry out periodic reviews of the trade policies of its member countries
 (d) To facilitate the implementation, administration and operation of trade agreements
- 9.** Given below are two statements. One is labeled as Assertion (A) and the other is labeled as Reason (R).
 Assertion (A): Globalisation refers to the free cross-border movement of goods, services, capital, information and people.
 Reason (R): Countries are consistently evolving innovative marketing barriers that are WTO compatible.
 In the light of the above two statements, choose the correct answer from the options given below:
 (a) Both a) and R) are true and R) is the correct explanation of A)
 (b) Both A) and R) are true but R) is NOT the correct explanation of A)
 (c) A) is true but R) is false
 (d) A) is false but R) is true
- 10.** In which of the following years, the Bretton Woods Agreement was signed by the delegates from 44 nations which led to the establishment of the IMF?
 (a) 1940 (b) 1952
 (c) 1944 (d) 1957

Answer Key

1 (d)	2 (c)	3 (a)	4 (c)	5 (d)	6 (b)	7 (c)	8 (a)	9 (b)	10 (c)
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2020 October Shift I

- 1.** EPRG framework International business refer to
 (a) Ethno, Poly, Regio, Geo, Transformations
 (b) Ethnocentric, Polycentric, Regiocentric, and Geocentric Orientations
 (c) Ethics, Policies, Regulations, Guidelines Orientations
 (d) Every Person Refers Global Framework
- 2.** Match list I with list II

List I (Authors of trade theory)	List II (Name of theory)
(A) Steffan Linder	1. Product life cycle theory
(B) Raymond Vernon	2. Country similarity theory
(C) Hecksher Ohlin	3. Absolute Advantage theory
(D) Adam Smith	4. Factor proportion theory

Choose the correct answer from the options given below:

- (a) (A) – (4), (B) – (3), (C) - (2), (D) - (1) (b) (A) – (2), (B) – (1), (C) - (4), (D) - (3)
 (c) (A) – (1), (B) – (3), (C) - (4), (D) - (2) (d) (A) – (3), (B) – (2), (C) - (1), (D) - (4)
- 3.** Arrange the following legal enactments in India in the chronological sequence from the first to the last.
 (A) The mines Act
 (B) The minimum wages Act
 (C) The payment of gratuity Act
 (D) The child labour (Prohibition and Regulation) Act
 (E) The Apprentices Act
 Choose the correct answer from the options given below:
 (a) (B),(D),(C),(A),(E) (b) (B),(A),(E),(C),(D)
 (c) (A),(E),(B),(C),(D) (d) (E),(B),(A),(C),(D)
- 4.** Which of the following are possible negative impacts of FDI on domestic firms in host countries?
 (A) Market monopoly
 (B) Technology dependence
 (C) Increased competition
 (D) Profit outflow
 choose the correct answer from the options given below:
 (a) (A),(B) only (b) (B) ,(C) only
 (c) (A),(B),(D) only (d) (B),(C),(D)only

5. Mercosur, a South America Trade block is a:
 - (a) Free trade area
 - (b) Common market
 - (c) Custom union
 - (d) Economic cooperation
6. The headquarters of the ASEAN is located in which of the following country?
 - (a) Indonesia
 - (b) Vietnam
 - (c) Thailand
 - (d) Singapore
7. As per Carroll Model, the four levels of Corporate Social Responsibility are:
 - (a) Physical, Economic, Social and Legal
 - (b) Physical, Economic, Legal and Ethical
 - (c) Philanthropic, Economic, Legal and Ethical
 - (d) Philanthropic, Economic, Social and Ethical

Comprehension:

Answer Question No. 8 to 12 on the basis of the following passage:

It is desirable for consumers to be aware of their rights, and to exercise those rights responsibly and intelligently. In these days of audio-video publicity on the public and private media, it is indeed very difficult, if not impossible, to verify the exaggerated or false claims made by producers, manufacturers, distributors and dealers of various goods and services. The all-pervasive, exaggerated and often false claims, made for services and goods, emphasize the imperative need for consumer protection legislation and creation of awareness about it among the general public.

In this connection, there are a number of enactments, in India such as the prevention of Food Adulteration Act,1954, the Essential Commodities Act,1955,the hire purchase Act,1972,the standards weight and measure Act,1976 etc. However, the remedies prescribed there under are time-consuming, inadequate and expensive. As in other areas of judicial processes The offenders are hardly caught, proceeded against and rarely, if ever, got convicted. When violators go scot-free .the victims have no remedy and gets frustrated.

8. Which among the following is a correct statement based on the passage?
 - (a) Consumers laws are not explained well in India
 - (b) Indian judiciary system needs a drastic reform to facilities consumers welfare
 - (c) Indian manufacturers are clever
 - (d) The Indian consumers have no remedy and get frustrate
9. Which among the following is a correct statement based on the passage?
 - (a) Consumers in India are aware of their rights
 - (b) Consumers in India exercise their rights responsibly
 - (c) Consumers in India are unaware of their rights and hence, they do not exercise them
 - (d) None of the above could be ascertained on the basis of paragraph given here above
10. Who among the followings could be considered at the center point in the passage?
 - (a) Consumers
 - (b) Judicial process
 - (c) Manufacturers
 - (d) Government
11. Which among the following is a correct statement based on the passage?
 - (a) The Government of India has enacted sufficient number of laws for protection of consumers interests
 - (b) The paragraph does not give comprehensive list of laws in favour of consumers
 - (c) Legal environment for consumers in India is not conducive
 - (d) Legal environment for consumers in India is conducive
12. Which among the following is a correct statement based on the passage?
 - (a) Producers and manufactures are sensitive about consumers rights
 - (b) Producers and manufactures are insensitive about consumers rights
 - (c) Producers and manufactures are neutral about consumers rights
 - (d) Producers and manufactures are basically governed by ethics and values.

Answer Key

1 (b)	2 (a)	3 (b)	4 Drop	5 (b)	6 (a)	7 (c)	8 (b)	9 (d)	10 (a)
11 (b)	12 (b)								

2020 October Shift II

1. A multinational firms is the one which _____
 - (a) Source supplies from multiple countries
 - (b) Export production to multiple countries
 - (c) Control and operates production facilities in multiple countries
 - (d) Has consular access in multiple countries
2. Grouping of countries committed to remove all barriers to the free flow of goods and service between themselves and also pursue independent external trade policies is called
 - (a) Free trade area
 - (b) Custom union
 - (c) Common market
 - (d) Economic union
3. Uppasala model for internationalization of business operations is not valid for ____
 - (a) Manufacturing organisations
 - (b) Services organisations
 - (c) Agribusiness enterprises
 - (d) Trading enterprises
4. Match the item in List I with economist propounded the same from List II

List I	List II
(Theoretical foundations of global trade)	(Economist)
A. Absolute cost advantage	i. Michael Porter
B. Factor endowment theory	ii. David Ricardo
C. National competitive advantage	iii. Hecksher and Ohlin
D. Comparative cost advantage	iv. Adam Smith

Identify correct match from the following:

- (a) A-iv, B-iii, C-i, D-ii
 - (b) A- iii ,B-ii, C-i, D-iv
 - (c) A-i, B-iv, C- iii, D-ii
 - (d) A- iii, B-iv, C- ii, D-i
5. Assertion A: TRIMs and TRIPs provisions facilitates and promotes FDI.
Reason R: TRIMs and TRIPs provisions remove restrictions and address capital flow sensitivities.
Choose the correct response from following:
 - (a) Both A and R are correct but R is the right explanation of A
 - (b) Both A and R are correct but R is not the right explanation of A
 - (c) A is correct but R is incorrect
 - (d) Both A and R is incorrect
 6. Which of the following industry verticals received boost amid covid-19 pandemic lockdowns?
 - A. Online education, gaming and entertainment
 - B. E-commerce and e payment infrastructure
 - C. Retailing and pharmaceuticals
 - D. Hospitality and healthcare services
 - E. Manufacturing and MSMEs

Choose the most appropriate answer from the options given below:

 - (a) A, B and D only
 - (b) A, C and E only
 - (c) A, B and C only
 - (d) C, D and E only
 7. Which of the following policy has lost its sheen consequent to implementation of the GST Laws in India?
 - (a) Monetary policy
 - (b) Fiscal policy
 - (c) Trade policy
 - (d) Exim policy
 8. The defenders of the sustainability approach towards corporate social responsibility(CSR) point out that____
 1. All economic activity exists within a biosphere that support all life
 2. The success of business must be judged only against profitability
 3. People have a strong ethical duty to cause no harm and only a prime facie duty to prevent harm
 4. Business sole responsibility is to fulfill the economical functions they were designed to serve
 5. Customer service is most important

Choose the most appropriate answer from the options given below:

 - (a) 1 and 2 only
 - (b) 2,3,4 only
 - (c) 1,3 only
 - (d) 1 only
 9. Sequence the following CSR eligibility criteria and spending as per the provisions of the Indian companies Act 2013.
 - A. Positive net worth of Rs.500 crores or more
 - B. Two percent of average profit spend on CSR
 - C. Net profit of Rs.5 crores or more in given financial year

- D. Turnover of Rs.1.000 crore or more
- E. Penal action for noncompliance

Choose the correct answer from the options given below:

- (a) E, B, D, C, and A
- (b) B, E, A, C, and D
- (c) D, D, C, B, and E
- (d) C, B, A, D, and E

10. Which of the following truly describe govt. intervention in the MDME space in view of Covid-19 pandemic?

- A. Provisioning of collateral free automatic loans worth Rs.3 lakh crores
- B. Provision of 100% credit guarantee coverage to banks and NBFCs on principal and interest for loaned to NBFCs
- C. Redefined MSMEs to include both investment and turnover criteria
- D. Created a war chest of Rs.3,00,000 crores for the MSME loans employment protection
- E. Allocated Rs3,00,000 crores for MSME loan moratorium waiver

Choose the most appropriate answer from the options given below

- (a) A, B and C
- (b) B, C and D
- (c) C, D and E
- (d) A, C and D

Answer Key

1 (c)	2 (a)	3 (b)	4 (a)	5 (a)	6 (c)	7 (b)	8 (d)	9 (c)	10 (a)
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2021, 25th November Shift I

1. Factor conditions in Michael Porter’s competitive advantage of Nations include
 - (a) Market size
 - (b) Demand conditions
 - (c) Internationally competitive supplies
 - (d) Skilled labour and scientific knowledge
2. To prevent opportunistic takeover of domestic firms amid Covid-19 pandemic. Foreign Direct Investment (FDI) from countries that share borders with India is allowed through
 - (a) Automatic route
 - (b) Government route
 - (c) FIPB route
 - (d) DPITT route
3. Match list I with list II

List -I	List -II (International Trade Theory)
(A) David Ricardo (1817)	(I) Theory of absolute advantage
(B) Michael Porter (1990)	(II) Factor endowment theory
(C) Adam Smith (1776)	(III) Theory of comparative advantage
(D) Heckscher (1919) - Ohlin (1933)	(IV) Theory of competitive advantage

Choose the correct answer from the options given below:

- (a) (A)- (I), (B) – (II), (C)- (III), (D) – (IV)
- (b) (A)- (III), (B) – (IV), (C)- (I), (D) – (II)
- (c) (A)- (II), (B) – (III), (C)- (II), (D) – (I)
- (d) (A)- (III), (B) – (IV), (C)- (II), (D) – (I)

4. Following are the problems that mar an optimal international diversification:

- (A) Unfavorable exchange rate movements
- (B) Frictions in international markets
- (C) Manipulation of security prices
- (D) Unequal access to information

Choose the most appropriate answer from the options given below:

- (a) A, B, C only
- (b) B, C, D only
- (c) A, C, D only
- (d) A, B, C, D only

5. Which of the following institution are included in the ‘World Bank Group’?

- (A) International finance corporation
- (B) International monetary fund
- (C) World Trade Organization
- (D) Multilateral Investment guarantee Agency
- (E) International Development Association

Choose the correct answer from the options given below:

- (a) A, B and C only
- (b) A, B and D only
- (c) A, B, D and E only
- (d) A, D and E only

6. Counter Veiling Duties (CVD) are often imposed on imports to offset the impact of

- (a) Predatory pricing
- (b) Export subsidies
- (c) Dumping
- (d) Low cost financing

- 7.** Which is the most potent driver of business transformation during Covid-19 pandemic?
 (a) Ethical consciousness
 (b) Scale economics and pricing power
 (c) Technology adoption and innovation
 (d) Supply chain logistics and government interventions
- 8.** Corporate social responsibility is the continuing commitment by business to behave ethically and contribute to
 (A) Political awareness, social security and inclusion
 (B) Public health, education and literacy
 (C) Maintaining ecological balances and protecting environment
 (D) Gender diversity, profiteering and market controlling
 (E) Rendering, Sponsoring, and donating to social and charitable activities
 Choose the correct answer form the options given below:
 (a) A, B and D only (b) B, C and E only
 (c) C, D and E only (d) A, B and C only
- 9.** Sequence the following in increasing order of integration of member economics.
 (A) Free Trade Area
 (B) Economic Union
 (C) Custom Union
 (D) Preferential Trade Agreements
 (E) Common Market
 Choose the correct answer from the option given below:
 (a) (A), (C), (E), (B), (D) (b) (B), (E), (C), (A), (D)
 (c) (D), (A), (C), (E), (B) (d) (C), (E), (B), (D), (A)

10. Match the List I with List II :

List- I	List -II
(A) Insurance Act	(I) 1988
(B) Life Insurance Corporation Act.	(II) 1963
(C) Motor Vehicle Act	(III) 1938
(D) Marine Insurance Act	(IV) 1956

Choose the correct answer from the options given below:

- (a) (A)- (IV), (B) – (III), (C)- (I), (D) – (II) (b) (A)- (I), (B) – (II), (C)- (III), (D) – (IV)
 (c) (A)- (III), (B) – (IV), (C)- (I), (D) – (II) (d) (A)- (IV), (B) – (III), (C)- (II), (D) – (I)

Passage

In 2019, India’s ten largest trading partners were USA, China, U.A.E., Saudi Arabia, Hong Kong, Iraq, Singapore, Germany, South Korea and Switzerland. In 2018 -19, the foreign Direct Investment (FDI) in India was 364.4 billion with service sector, computer and telecom industry remains leading sectors for FDI inflows. India has free trade agreements with several nations, including ASEAN, SAFTA, Mercosur, South Korea, Japan and few others which are in effect or under negotiating stage. The service sector makes up 55.6% of GDP and remains the fastest growing sector. While the industrial sector and the agricultural sector employs a majority of the labour force. The Bombay Stock Exchange and National Stock Exchange are one of the world’s largest stock exchange by market capitalization. India is the world’s sixth-largest manufacturer, representing 3% of global manufacturing output and employs over 57 million people. Nearly 66 % of India’s population is rural whose primary source of livelihood is agriculture and contribute less than 50% of India’s GDP. It has the world’s fifth largest foreign exchange reserve worth Rs. 38,832.21 billion (US \$ 540 billion) . India has a high national debt with 68% of GDP, while its fiscal deficit remained at 3.4% of GDP. However as per 2019 CAG report, the actual fiscal deficit is 5.85% of GDP. India’s government – owned banks faced mounting bad debt, resulting in low credit growth, simultaneously the NBFC sector has been engulfed in a liquidity crisis. India faces high unemployment, rising income inequality and major slump in aggregate demand.

On the basis of the above passage, give answers to question

- 11.** India has significant trading partners from which of the following regions:
 (A) Europe
 (B) America
 (C) Asia
 (D) Africa

Choose the correct answer form the options given below:

- (a) (A), (B), (C) only (b) (B), (C), (D) only
 (c) (A), (B), D only (d) (A) and (D) only
- 12.** Which among the following statements is the correct one?(choose the most appropriate one)?
 (a) India has a better trade relations with European countries.
 (b) MSE is the largest stock exchange in the world.
 (c) Indian primary sector is contributing less as compared to other sectors.
 (d) India attracts highest FDI from USA.
- 13.** Which of the following sectors have Significant foreign Direct Investment (FDI) in India?
 (A) Service sector
 (B) Secondary sector
 (C) Primary sector
 (D) Fisheries and Animal Husbandry
 Choose the correct answer form the options given below:
 (a) (A) and (B) only (b) (B) and (C) only
 (c) (C) and (D) only (d) (A) and (D) only
- 14.** The Comptroller and Auditor general has reported a different estimate than of governments, in terms of:
 (a) GDP (b) Fiscal Deficit
 (c) FDI (d) Liquidity of private banks
- 15.** Which of the following has not been articulated in the passage?
 (a) GDP Growth (b) Currency flows
 (c) Liquidity (d) Demographics

Answer Key

1 (d)	2 (b)	3 (b)	4 (d)	5 (d)	6 (b)	7 (c)	8 (b)	9 (c)	10 (c)
11 (a)	12 (c)	13 (a)	14 (b)	15 (c)					

2021, 25th November Shift II

- 1.** FDI in Indian manufacturing has largely been
 (a) Resource seeking (b) Efficiency seeking
 (c) Market seeking (d) Export – oriented
- 2.** Which of the following entity has recently been negotiated to replace NAFTA with effect from July 2020?
 (a) Quad group of countries (b) USMCA
 (c) Shanghai cooperation organization (d) Trans Atlantic organization
- 3.** To rights of the consumer as enunciated under section 6 of the consumer protection Act, 1986 includes:
 (A) To be protected against the marketing of goods and services which are hazardous to life and property
 (B) To be assured the competitive price and low cost quality products and services
 (C) To be assured that consumer’s interest will service the due consideration at appropriate forums
 (D) To be protected for multiple use of products, profits, diversity and equity.
 (E) To be informed about the quality, potency, purity and price of goods or service
 Choose the correct answer from the options given below:
 (a) (A), (B) and (C) only (b) (B), (C) and (D) only
 (c) (C), (D) and (E) only (d) (A), (C) and (E) only
- 4.** Arrange the following countries in the ascending order of their contribution to the WTO budget 2020:
 (A) China
 (B) Japan
 (C) Germany
 (D) United states of America
 (E) United kingdom
 Choose the most appropriate answer from the options given below:
 (a) (A), (B), (D), (E) and (C) (b) (D), (A), (B), (E) and (C)
 (c) (E), (B), (C), (A) and (D) (d) (D), (A), (B), (C) and (E)
- 5.** The theory which explains the effect of devaluation on balance of trade is known as:
 (a) Phillips Curve theory (b) Mundell – Tobin Hypothesis
 (c) J Curve Theory (d) K Curve Theory

6. Occasional sale of a commodity at a lower price abroad in order to unload an unforeseen and temporary surplus of the commodity without domestic prices is called:
- (a) Persistent dumping (b) Predatory dumping
(c) Export subsidies (d) Sporadic dumping
7. Identify the principle of trade policy framework from the following under the WTO:
- (A) Reciprocity and transparent
(B) Benefactory and resilient
(C) Non-discriminatory
(D) Binding and enforceable commitments
(E) Protective and benevolent
- Choose the most appropriate answer from the options given below:
- (a) (A), (B) and (C) only (b) (C), (D) and (E) only
(c) (A), (C) and (D) only (d) (B), (D) and (E) only
8. Which of the following countries/territories is not a member of the WTO?
- (a) China (b) Russia
(c) Iran (d) Taiwan
9. Given below are two statements: One is balled as Assertion A and the other is labeled as Reason R:
Assertion A: Foreign investment is playing an increasing role in economic development and contributes to a significant share of the domestic investment, employment generation and exports.
Reason R: Substantial increase in the magnitude of capital inflows have remarkably improved the balance of payments and foreign exchange reserve position.
In the light of the above statements, choose the correct answer from the options given below:
- (a) Both A and R are correct and R is the correct explanation of A
(b) Both A and R are correct and R is NOT the correct explanation of A
(c) A is correct but R is not correct
(d) A is not correct but R is correct

Read the passage and answer the question

Recuperating of the impact of Covid-19, India attained 13% growth boosted by investments in the digital sector. Infrastructure and energy deals also propped up M & A deals in India. As a result India could achieve 13% growth in foreign direct Investment (FDI) in 2020. Amidst global collapse, China is the only other country that has shown remarkably high FDI growth.

An 'investment' trends monitor issued by the United Nations Conference on Trade and Development (UNCTAD) pointed out, global FDI collapsed in 2020 by 42% to an estimated USD 859 billion from USD 1.5 trillion in 2019. China and India were two major outliers in a gloomy year foreign direct investment.

India achieved positive growth (13%), boosted by investments in the digital sector where the investment continued, particularly through acquisition. Cross border M&A grew 83% to \$ 27 billion. Infrastructure and energy deals also propped up M&A deals in India. India and Turkey are attracting good numbers of deals in IT consulting and digital sectors, including e-commerce platforms, data processing services and digital payments. In terms of individual nations in ICT and pharmaceutical sector. China was the world's largest FDI recipient, with flows to the Asian giant rising by 4% to \$163 billion. High-tech industries saw an increase of 11% in 2020, and cross border M&A rose by 54%.

"Although their investment activity slowed down initially in 2020. They are now set to take advantage of low interest rates and increasing market values to acquire assets in overseas markets for expansion, as well as rivals and smaller innovative companies affected by the crisis.

10. Which statements is not true about China?
- (a) FDI inflows increase by 4%
(b) International M&A increase by 54%
(c) Highest FDI in ICT and Pharmaceutical sector
(d) USD 1.5 Trillion sized economy
11. India and Turkey are attracting record numbers of deals in
- (a) Overall production (b) IT consulting and digital sectors
(c) Pharmaceutical and allied sectors (d) GDP and Per Capita Income
12. Which country outlined in the world in terms of FDI inflows in ICT and pharmaceutical sector
- (a) India (b) USA
(c) Israel (d) China

- 13.** The author opines in the paragraph that which of the following has helped to acquire assets in overseas markets for expansion.
- (a) Low interest rates and increasing market values
 - (b) Low per capita incomes and high resources
 - (c) Attractive markets and overseas valuations
 - (d) Governmental support and incentivization to promote cross border trade.
- 14.** Annual increase /decrease in India's annual FDI inflows and Global FDI flows, respectively are:
- (a) USD 27 billion and USD 163 billion
 - (b) +13% and -42%
 - (c) -4% and +11%
 - (d) Data not available

Answer Key

1 (c)	2 (b)	3 (d)	4 (c)	5 (c)	6 (d)	7 (c)	8 (c)	9 (b)	10 (d)
11 (b)	12 (d)	13 (a)	14 (b)						

2021, 26th November Shift I

- 1.** The mode of joint venturing in international business that allows a company to conduct business in another country whose laws discourage foreign ownership is known as:
- (a) Contract manufacturing
 - (b) International Franchising
 - (c) Joint ownership
 - (d) Licensing
- 2.** Arrange the following economic regions in increasing order of FDI inflows, as per the UNCTAD Report, 2020?
- A. Developing economies
 - B. Transition economies
 - C. North America
 - D. Developed economies
 - E. Europe
- Choose the correct answer from the options given below:
- (a) A, B, C, E, D
 - (b) B, A, C, E, D
 - (c) B, A, D, E, C
 - (d) E, B, D, C, A
- 3.** The term current account transaction is defined as a transaction other than a capital account transaction and without prejudice to the generality of the foregoing, such transaction includes:
- A. Overseas direct investment, (ODIs) from India
 - B. Payment due as interest on loans and as net income from investments
 - C. Remittances for living expenses of parents, spouse, and children residing abroad
 - D. Borrowing or lending in foreign exchange and in Indian rupees
- Choose the correct answer from the options given below:
- (a) A and B only,
 - (b) A and D only,
 - (c) B and C only,
 - (d) D only
- 4.** The resource seeking FDI moves to a country where:
- (a) Financial resources help MNCs improve their efficiency,
 - (b) Per capita income and size of the market are large
 - (c) Raw materials and manpower are in abundance
 - (d) Technologies are available to improve productivity
- 5.** Arrange the following levels of economic integration, from least integrated to the most integrated:
- A. Customs Union
 - B. Free Trade Area
 - C. Economic Union
 - D. Common Market
 - E. Political Union
- Choose the correct answer from the options given below
- (a) A, B, C, D, E,
 - (b) B, A, D, C, E,
 - (c) D, C, A, B, E,
 - (d) E, D, C, A, B,
- 6.** Match List I with List II

List -I (Events Year)	List -II (Year)
A. Bretton Woods Conference	I. 1948
B. GATT established	II. 1974

C. Multi-fiber Agreement	III. 1944
D. WTO replaced GATT	IV. 1995

Choose the correct answer from the options given below:

- (a) A - II, B - IV, C - III, D - I, (b) A - III, B - I, C - II, D - IV,
 (c) A - III, B - I, C - IV, D - II, (d) A - IV, B - II, C - I, D - III,

7. Bretton Woods resolutions led to the formation of:

- (a) GATT, (b) IMF,
 (c) UNCTAD, (d) WTO,

8. Fill in the blanks

The collapse of Eastern Europe in _____ and USSR in _____ lead to emergence of the transitory economies.

- (a) 1980, 1987 (b) 1988, 1995
 (c) 1989, 1991 (d) 1997, 1991

9. Which of the following are objectives of the Competition Act, 2002?

- A. To prevent practices having an adverse effect on competition
 B. To impede and torment competition in the market
 C. To protect the interests of sellers
 D. To ensure freedom of trade carried on by other participants in markets

Choose the correct answer from the options given below:

- (a) A and D only, (b) A, B and C only,
 (c) A, B and D only, (d) B, C and D only,

Answer Key

1 (d)	2 (d)	3 (c)	4 (c)	5 (b)	6 (b)	7 (b)	8 (c)	9 (a)	
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2022, 29th September Shift I

1. Currency depreciation in the Indian rupee in recent times has largely been attributed to:

- (A) Declining domestic savings
 (B) Increasing FDI flows
 (C) Portfolio out flows
 (D) Higher currency circulation
 (E) Higher imports and debt servicing

Choose the correct answer from the options given below:

- (a) A, B, and C only (b) B, C, and D only
 (c) A and D only (d) C and E only

2. Match List-I with List-II

List-I Tariff/subsidy	List-II Explanation
(A) Ratification	(I) They have demonstrably adverse effects on other member countries.
(C) Actionable subsidies	(II) They act on goods which are contingent upon export performance.
(B) Prohibited subsidies	(III) Replacement of existing non-tariff restrictions.
(D) Non-actionable subsidies	(IV) For industrial research is disadvantaged regions.

Choose the correct answer from the options given below:

- (a) A-II, B-III, C-I, D-IV (b) A-IV, B-I, C-II, D-III
 (c) A-III, B-II, C-I, D-IV (d) A-II, B-IV, C-III, D-I

3. Which one of the following is not the guiding principle of World Bank regarding its lending operation?

- (a) Proper assessment of the represent prospectus of loans.
 (b) Lending should be only for specific projects which are economically and technically sound and of a high priority nature.
 (c) The lending should be to enable a country to meet foreign exchange content of the project cost.
 (d) The bank does expect the borrowing country to spend the loan in a particular country.

4. Which of the following factors restrain globalization?

- (A) International economic integration
 (B) Nationalism
 (C) Emerging trade barriers
 (D) Regulatory controls
 (E) Move towards free marketing systems

Choose the correct answer from the options given below:

- (a) A and E only (b) C, D and E only
(c) B, C and D only (d) A, B and D only

5. Arrange the procedure followed for disbursement of export credit in a sequence from the first to the last
(A) The bank release the funds debiting to the packing credit amount and credit to the exporter's account
(B) The bank calculates the amount of packing credit to be granted
(C) The exporter would be required to send the goods through approve transport and forwarding agency
(D) The exporter is required to take adequate insurance
(E) Submit an evidence of export

Choose the correct answer from the options given below:

- (a) B, A, E, D, C (b) A, C, B, D, E
(c) A, B, C, D, E (d) E, B, A, C, D

6. Given below are two statements, one is labelled as Assertion A and the other is labelled as Reason R
Assertion A: an export processing zone is different from free trade zone as it promotes units primarily devoted to exports.

Reason R : Goods imported to a free trade zone may be re-exported without any processing, in the same form. But goods exported by units in an EPZ are expected to have undergone some value addition by manufacturing.

In light of the above statements, choose the most appropriate answer from the options given below:

- (a) Both A and R are correct and R is the correct explanation of A
(b) Both A and R are correct but R is NOT the correct explanation of A
(c) A is correct but R is not correct
(d) A is not correct but R is correct

Answer Key

1 (d)	2 (c)	3 (d)	4 (c)	5 (d)	6 (a)				
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2022, 29th September Shift II

1. Sequentially arrange the following themes related to globalization of Indian business since Independence
(A) FDI in various sectors opened along with slashing of custom duties.
(B) Partial opening of economy to external trade and de-licensing of some key sectors.
(C) Govt. – led investments in large public sector units in steel, chemicals and power.
(D) Indian business became competitive and started to reap rewards of various phases of development learning
(E) Increased government involvement in industry with sustained focus on import substitution.

Choose the correct answer from the option given below:

- (a) (C), (E), (B), (D), (A) (b) (E), (C), (B), (A), (D)
(c) (C), (E), (B), (A), (D) (d) (A), (C), (E), (B), (D)

2. Which one of the following is a trade related entry mode in international markets?

- (a) Management contract (b) International licensing
(c) International leasing (d) Portfolio investments

3. Match list I with II :

List I – International Trade Theories	List II – Expounders
(a) Absolute Advantage	(I) David Ricardo
(b) Factor Endowments	(II) Minhas. Leontief et. Al.
(c) Factor – Intensity Reversal	(III) Adam Smith
(d) Comparative Advantage	(IV) Heckscher - Ohlin

Choose the correct answer from the option given below

- (a) (A)-(III), (B)-(II), (C)-(IV), (D)-(I), (b) (A)-(III), (B)-(IV), (C)-(II), (D)-(I),
(c) (A)-(I), (B)-(IV), (C)-(II), (D)-(III), (d) (A)-(III), (B)-(I), (C)-(II), (D)-(IV),

4. Which one of the following theories describes FDI flows in ecosystem?

- (a) Product Life Cycle Theory (b) Factor Endowment Theory
(c) Waterfall Theory (d) New Trade Theory

5. ‘‘If you know the enemy and know yourself, you need not fear the result of a hundred battle.’’

Above statement of sun Tzu corresponds to which one of the following components of Porter’s Five Forces Model?

- (a) Threat of substitutes (b) Threat of competitor
 (c) Bargain power of supplier (d) Threat of New Entrants
6. Arrange the following negotiation rounds of WTO (World Trade Organisation) in reverse Chronological order':
 (A) Uruguay Round
 (B) Geneva Round
 (C) Kennedy Round
 (D) Doha Round
 (E) Tokyo Round

Choose the correct answer from the options given blow:

- (a) (A), (C), (D), (B), (E) (b) (D), (A), (E), (C), (B)
 (c) (B), (A), (C), (E), (D) (d) (D), (E), (A), (C), (B)
7. Which of the following are thinly veiled disguises that essentially restrict imports?
 (A) Voluntary import restrictions
 (B) Labeling requirement showing origin and contents
 (C) Import tariffs and quotas
 (D) Safety regulations for automobiles and electrical equipment
 (E) Health regulations for hygiene production and packing of imported food production
- Choose the most apposite answer from the options given blow:
 (a) (A), (B) and (C) only (b) (B), (C) and (D) only
 (c) (C), (D) and (E) only (d) (B), (D) and (E) only
8. Which of the following factor favour product standardization in the international markets?
 (A) High cost of adaptation.
 (B) Variations in conditions of use.
 (C) Country of origin effects.
 (D) Economies in R & D.
 (E) Differences on technical standards.

Choose the most appropriate answer from the options given blow:

- (a) (A) and (E) only (b) (A), (C) and (D) only
 (c) (A), (B), (C) and (D) only (d) (C) and (D) only
9. Match list I with list II:

List I – Type of Exposure	List II – Description
(A) Economics Exposure	(I) Potential changes an all future cash flows of a firm that result from unanticipated changes in exchange rates.
(B) Translation Exposure	(II) IT arises when items of financial statements that are stated in foreign currencies are restated in the home currency of an MNC.
(C) Transaction Exposure	(III) It arises when a firm’s contract obligations are exposed to unanticipated changes in exchange rate
(D) Operating Exposure	(IV) When a firms real assets are exposed to unanticipated changes in exchange rate.

Choose the correct answer from the option given below

- (a) (A)-(III), (B)-(IV), (C)-(II), (D)-(I), (b) (A)-(I), (B)-(II), (C)-(III), (D)-(IV),
 (c) (A)-(IV), (B)-(III), (C)-(II), (D)-(I), (d) (A)-(I), (B)-(IV), (C)-(III), (D)-(II),

Answer Key

1 (c)	2 (a)	3 (b)	4 (a)	5 (b)	6 (d)	7 (d)	8 (b)	9 (b)	
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2022, 14th October Shift I

1. The most significant and widely-used country risk ratings in International Business Risks are given by which of the following?

- (A) Business Environment Risk Intelligence (BERI) Index
- (B) Economist Intelligence Unit (EIU) Indices
- (C) National Centre for Trade Information (NCTI)
- (D) India Trade Promotion Organisation (ITPO)
- (E) PRS Group's International Country Risk Guide

Choose the correct answer from the option given below:

- (a) A, C only
- (b) A, B and E only
- (c) A, D, E only
- (d) C, D, E only

2. Heckscher-Ohlin Theory of factor endowment suggests which of the following types of relationships?

- (A) Production - marketing relationship
- (B) Land - Labour relationship
- (C) Marketing - Capital relationships
- (D) Labour - Capital relationships
- (E) Technological complexities

Choose the correct answer from the options given below:

- (a) A, B Only
- (b) B, C Only
- (c) B, D, E Only
- (d) A, C, E Only

3. Match List I with List II

List I (Type of Agreement)	List II (Explanation)
(A) NAMA	(I) Liberation of International Investments
(B) GATTs	(II) Includes industrial goods, textile, jewellery, fish and fisheries products and manufacturing industries
(C) TRIMs	(III) Liberalisation of trade in goods and services
(D) TRIPs	(IV) Provides monopoly power to owners of intellectual property

Choose the correct answer from the options given below:

- (a) A-II, B-I, C-IV, D-III
- (b) A-IV, B-II, C-III, D-I
- (c) A-II, B-III, C-I, D-IV
- (d) A-III, B-II, C-IV, D-I

4. According to FEMA foreign exchange does not include which one of the following?

- (a) Deposit payable in any foreign currency
- (b) Bills of exchange drawn in Indian currency but payable in any foreign currency
- (c) Travelers cheques drawn by institutions outside India but payable in Indian currency
- (d) Draft drawn by banks outside India and table in foreign currency

5. In which one of the following modes of entry into foreign markets risk and profit potential are the highest?

- (a) Indirect exporting
- (b) Joint venture
- (c) Direct investment
- (d) Direct exporting

6. In comparison to domestic equity investment foreign equity investment would be preferred if it offers in which of the following situations?

- (a) Higher dividend yield and high rate of capital appreciation
- (b) Lower dividend yield and lower rate of capital appreciation
- (c) Higher dividend yield and lower rate of capital appreciation
- (d) Lower dividend yield and high rate of capital appreciation

7. Which is the most appropriate mode of entry in international business to an enterprise with little experience of International Markets?

- (a) Acquisition
- (b) Exporting
- (c) Strategic Alliance
- (d) Joint Venture

8. Quotas which are the quantitative restrictions on export imports intended at protecting local industries and conserving foreign exchange, include which of the following?

- (A) Single stage quota
- (B) Absolute quota
- (C) Tariff quotas
- (D) Value added quotas
- (E) Voluntary Quotas

Choose the correct answer from the options given below:

- (a) B, C, E Only (b) A, B, C Only
 (c) A, D, E Only (d) B, C, D, E Only
9. Arrange the following steps in the process of concluding and export deal.
 (A) Confirm the export deal
 (B) Receive letter of credit
 (C) Identify and negotiate with importer
 (D) Receive an export order
 (E) Examine thoroughly and ask for amendment
 Choose the correct answer from the options given below:
 (a) A, C, E, D, B (b) C, A, D, E, B
 (c) B, E, A, C, D (d) D, A, B, C, E
10. Which of the following products would require intensive modification in the international arena?
 (a) Tennis racket (b) Cosmetics
 (c) Notebook computer (d) Camera

Answer Key

1 (b)	2 (c)	3 (c)	4 (d)	5 (c)	6 (b)	7 (b)	8 (a)	9 (b)	10 (b)
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2023, 4th March Shift I

1. Which of the one following non-tariff barrier is to be adequately addressed by India while signing FTA with any country that has potential to import fruits, vegetables and other plant based products from India?
 (a) Phytosanitary regulations (b) Sanitary regulations
 (c) Complex Registration (d) Restrictive customs procedure
2. According to the Heckscher-Ohlin theory, which one of the following are correct?
 (a) Trade should take place among countries that have greater differences in their factor endowments.
 (b) A country with a relatively cheaper cost of labour would export labour – intensive products
 (c) Country benefits from international trade even if it is less efficient than order nations
 (d) Countries with the proximity of geographical locations would have great trade compared to the distant ones.
3. Which one of the following FTA was signed in February, 20022 and came into force in May, 2022?
 (a) AI-ECTA Australia – India Economic Cooperation and Trade Agreement
 (b) India – UAE Comprehensive Economic Partnership Agreement (CEPA)
 (c) India – Nepal Treaty of Trade
 (d) India – Singapore Comprehensive Economic Cooperation Agreement (CECA)
4. The Government of India on 27-9-22 extended the existing Foreign Trade Policy (2015-20) up to which one of the following on account of volatile global economic and geo-political situation and currency fluctuations
 (a) December, 2022 (b) March, 2022
 (c) September, 2023 (d) December, 2023

5. Match List I with List II

LIST I (COP 27)		LIST II (COP 27 Action Plan)	
A.	Mitigation	I.	Promote climate know-how solutions
B.	Capitalize	II.	Empowering all stakeholders to engage in climate action
C.	Technology	III.	Phase down unabated coal power
D.	Capacity Building	IV.	Creation of “loss and damage fund”

Choose the correct answer from the option given blow:

- (a) (A)-(II), (B)-(III), (C)-(IV), (D)-(I) (b) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
 (c) (A)-(III), (B)-(IV), (C)-(I), (D)-(II) (d) (A)-(IV), (B)-(III), (C)-(I), (D)-(II)
6. Sequence the following different settlement stages of the WTO dispute settlement System.
 (A) Retaliation
 (B) Implementation
 (C) Panel Review
 (D) Appellate
 (E) Consultations
 Choose the correct answer form the options given below:
 (a) D, E, A, C, B (b) E, D, C, A, B
 (c) E, C, D, B, A (d) D, E, C, A, B

7. Arrange the following industry verticals in the ascending order of their weightages in index of core industries in India.

- (A) Coal
- (B) Cement
- (C) Refinery Products
- (D) Electricity
- (E) Steel

Choose the correct answer form the options given below:

- (a) A, C, D, B, E
- (b) E, B, D, A, C
- (c) B, A, E, D, C
- (d) B, E, D, C, A

8. Given blow are two statements:

Statement I : Translation exposure refers to the exchange gain or loss occurring from the difference in the exchange rate at the beginning and the end of the accounting period.

Statement II : Translation exposure refers to the change in the value of the firm caused by the unexpected changes in the exchanges rate.

In the light of the above statement. Choose the most appropriate answer from the options given below

- (a) Both statement I and Statement II are correct
- (b) Both statement I and Statement II are incorrect
- (c) Statement I is correct but Statement II is incorrect
- (d) Statement II is correct but Statement I is incorrect

The economy of India is a mixed, middle-income, developing social market economy. It is the world's fifth-largest economy by nominal GDP and the third-largest by Purchasing Power Parity (PPP). According to the International Monetary fund (IMF), on a paper capita income basics, India ranked 142nd by GDP (nominal) and 125th GDP (PPP). From Independence in 1947 until 1991, successive governments promoted protectionist economic policies, with extensive state intervention and economic regulation. This is characterized as dirigisme, in the form of the License Raj. The end of the Cold war and an acute balance of payments crisis in 1991 led to the adoption of a board economic liberalization in India. Since the start of the 21st century, annual average GDP growth has been 6% to 7%, and from 2013 to 2018, India was the world's fastest growing major economy, surpassing China Economy of the Indian subcontinent was the largest in the world for most of the recorded history until the onset of colonialism in early 19th century. Share of India economy is 7.5% of the world economy by PPP term. The long-term growth perspective of the Indian economy remains positive due to its young population and corresponding low dependency ratio, healthy savings. investment rates. increasing globalization in India and integration into the global economy. Near 70% of India's GDP is driven by domestic private consumption. The country remain the world's sixth-largest consumer market. Apart from private consumption, India's GDP is also fuelled by government spending. investment. and export India has been a member of the World Trade Organization since 1 January 1995. It ranks 37th on the Ease of Doing Business Index and 37th on the global competitiveness Report. due to extreme rupee/dollar rate fluctuation, India's nominal GDP too fluctuates significantly. With 50 crores (500 million) workers, the Indian labour force is the world's second-largest. India has one of the world's highest number of billionaires and extreme income inequality Because of several exemptions, barely 2% of Indian pay income taxes.

9. Given blow are two statements:

Statement I : India has one of the world's highest number of billionaire and extreme income inequality.

Because of several exemption, barely 5% of Indian pay income taxes

Statement II : With 50 crores (500 million) workers, the Indian labour force is world's second- largest.

In the light of the above statement. Choose the most appropriate answer from the options given below

- (a) Both statement I and Statement II are correct
- (b) Both statement I and Statement II are incorrect
- (c) Statement I is correct but Statement II is incorrect
- (d) Statement II is correct but Statement I is incorrect

10. Which of the following is not a correct statement?

- (a) The economy of India is a mixed, middle-income, developing social market economy.
- (b) India's GDP is also fuelled by government spending. investment, and export
- (c) India has been a member of the World Trade Organization since 1 January 1996
- (d) Economy of the Indian subcontinent was the largest in the world for most of the recorded history until the onset of colonialism in early 19th century

- 11.** Which one of the following is not a supportive factor to the Indian economy's long-term growth perspective
- Young population and corresponding low dependency ratio
 - Healthy savings and investment rates
 - Increasing globalization in India and integration into the global economy
 - Continuous increasing defence expenditure
- 12.** Given below are two statements:
 Statement I : Since the start of the 21st century, annual average GDP growth has been 6% to 7%
 Statement II : From 2013 to 2018, India was the world's fastest growing major economy surpassing China
 In the light of the above statement. Choose the most appropriate answer from the options given below
- Both statement I and Statement II are correct
 - Both statement I and Statement II are incorrect
 - Statement I is correct but Statement II is incorrect
 - Statement II is correct but Statement I is incorrect
- 13.** Given below are two statements: one is labelled as Assertion (A) and the other is labelled as Reason (R):
 Assertion (A) : Nearly 70% of India's GDP is driven by domestic private consumption.
 Reason (R) : The country (India) remain the world's sixth- largest consumer market.
 In the light of the above statements. Choose the most appropriate answer from the options given below:
- Both (A) and (R) are correct and (R) is the correct explanation of (A)
 - Both (A) and (R) are correct but (R) is NOT the correct explanation of (A)
 - (A) is correct but (R) is not correct
 - (A) is not correct but (R) is correct

Answer Key

1 (a)	2 (a & b)	3 (b)	4 Drop	5 (c)	6 (c)	7 (c)	8 (c)	9 (d)	10 (c)
11 (d)	12 (a)	13 (b)							

2023, 4th March Shift II

- 1.** Which of the following is the right description of the "Duty Free Import Authorized (DFIA)" Scheme?
- Duty free imports of inputs required for export production subject to certain export obligations, as stipulated in the foreign trade policy.
 - Exemption in respect of custom duty, additional duty, education cess and anti-dumping or safeguard duties for inputs used in export.
 - Import of capital goods at concessional rate of duty subject to an appropriate export accepted by the importer.
 - Grant of credit on post-export basis as specified percentage of F.O.B value of export made in a freely convertible currency.
- 2.** An Indian company receiving investment from outside India for issuing shares/convertible Debentures / preference shares under the FDI Scheme should report the details of the inflow to the RBI. What is the time limit for reporting these details to RBI?
- Within 10 days from the date of receipt
 - Within 15 days from the date of receipt
 - Within 30 days from the date of receipt
 - Within 45 days from the date of receipt
- 3.** Which one of the following theories of attitude change states that changes in opinion can result in to an attitude change?
- Balance Theory
 - Cognitive consistency Theory
 - Reinforcement Theory
 - Cognitive Dissonance Theory
- 4.** According to Porter's diamond, which of the following is Not a factor of national competitive advantage?
- Relating and supporting industry
 - Firm strategy, structure and rivalry
 - Bargaining power of buyer
 - Demand conditions
- 5.** Which one of the following institutions is not a part of the World Bank Group?
- International Bank for Reconstruction and Development (IBRD)
 - International Development Association (IDA)
 - Multilateral Investment Guarantee Agency (MIGA)
 - The Bank of International Settlement (BIS)

6. Revenue expenditure of the Central government includes

- (A) Debt relief to farmers
- (B) Subsidy for fertilizers
- (C) Grants to states
- (D) Central plan allocations for rural development
- (E) Central plan allocations for irrigation and flood control

Choose the correct answer from the options given below:

- (a) A, B and E only
- (b) A, C and D only
- (c) C, D and E only
- (d) A, B and C only

7. Exchange depreciation rate of one currency in relation to another currency is, approximately, equal to their

- (A) Inflation rate differential
- (B) Interest rate differential
- (C) Growth rate differential
- (D) Fiscal deficit differential
- (E) Forex reverse differential

Choose the correct answer from the options given below:

- (a) A, B and C only
- (b) C, D and E only
- (c) A and B only
- (d) D and E only

8. Match List I with List II

List I	List I
Name of theory of International Trade	Description
A. Heckscher-Ohlin Theory	I. The ability of a nation to produce the goods more efficiently and effectively than any other country
B. Country Similarity Theory	II. Theory stating that trade occurs between nations that have similar characteristics such as economic, geography and cultural characteristics
C. Theory of Mercantilism	III. The theory that a nation will export the goods whose production requires intensive use of that nation's relatively abundant and cheap factors and import goods when production requires intensive use of its scarce and expensive factors
D. Absolute Advantage Theory	IV. Theory that aims at accumulating financial wealth in terms of gold by encouraging

Choose the correct answer from the option given below:

- (a) (A)-(IV), (B)-(III), (C)-(II), (D)-(I)
- (b) (A)-(IV), (B)-(II), (C)-(I), (D)-(III)
- (c) (A)-(III), (B)-(II), (C)-(IV), (D)-(I)
- (d) (A)-(III), (B)-(II), (C)-(I), (D)-(IV)

9. In relation to the export from India, arrange the following steps of port procedure and customs clearance sequentially:

- (A) C&F agent presents mate's receipt to shipping company
- (B) Shipping company issues bill of lading. C&F agent dispatches bill of lading and other documents to the importer
- (C) C&F agent receives documents from the exporter, takes delivery of cargo and stores cargo in warehouse till shipment
- (D) Master of vessel issues mate's receipt to the superintendent of port
- (E) Cargo brought to the port shed for loading

Choose the correct answer from the options given below:

- (a) C, E, D, B, A
- (b) C, E, D, A, B
- (c) E, C, D, A, B
- (d) C, D, E, A, B

10. Arrange the following decision outcomes under the Indian Consumer Protection Act

- (A) Removal of defects
- (B) Impose cost on parties
- (C) Return of price paid
- (D) Discontinuation of unfair practices
- (E) Compensation to consumer

Choose the correct answer from the options given below:

- (a) A, B, C, E, D
- (b) A, C, E, D, B
- (c) C, D, A, B, E
- (d) D, E, B, C, A

11. Given below are two statements:

Statement I : Thousands of small firms in developing countries have closed their shutters because of the competition from large MNCs.

Statement II : MNCs have played a significant role in the development of poor countries by transfer of technology, introducing best management practices and help in improving productivities

In the light of the above statement. Choose the most appropriate answer from the options given below

- (a) Both statement I and Statement II are true (b) Both statement I and Statement II are false
(c) Statement I is true but Statement II is false (d) Statement II is true but Statement I false

Read the passage below carefully and answer the five questions that follow

Capital flows, exchange rates and the interest rates are cause of immediate concern to the national economies. Central banks of various countries have been using a variety of methods with the excessive capital inflows. Foreign portfolio investment have a direct and indirect impact on exchange rates, valuation of traded assets and yield of various government and corporate securities. RBI, in the post – pandemic scenario and the recent Russia – Ukraine war situation is working on multiple options to stabilize the exchange rate by protecting both the exporters and importers. One way which RBI adopts to maintain a desirable level of exchange rate is to mop up net exchange assets from schedule commercial banks in exchange of domestic currency (Rs.) assets. The liquidity flows are, in essence, inflationary. RBI has projected a comfortable GDP rate for the current fiscal and believes a reasonable level of CPI inflation as 5.3%. The retail inflation, according to the RBI governor, recently is likely to be 4.5% in 2023 fiscal. With this perspective the repo rate and reverse repo rate remain at 4% and 3.35%, respectively since May 22, 2020, A balancing act between economic growth and inflation is visible. Though the RBI rates are consistent, the burden on borrowers for the short – term and long – term, is still unpredictable.

12. The primary purpose of the monetary policy of RBI is to maintain

- (a) Wealth (b) Exchange Rate Volatility
(c) Income Equality (d) Stability of Prices

13. The stance of a monetary policy wherein the interest rates may move either way, upwards or downwards, is called

- (a) Accommodative stance (b) Neutral stance
(c) Calibrated stance (d) Hawkish stance

14. An increase in investment is most likely to be caused by

- (a) Decreases in marginal propensity to consume (b) Expectations of lower GDP
(c) Lowering of interest rates (d) Writing – off of Non – performing Assets

15. Quantitative easing by the Central bank implies

- (a) Selling of assets by the Central bank
(b) Lowering of interest rates for commercial bank lending
(c) Purchase of assets by the Central bank
(d) Central bank reducing the policy rate

16. Changes in foreign portfolio investments are directly related to

- (a) Money demanded (b) Exchange rates
(c) Prices (d) Circulation of money

Answer Key

1 (b)	2 (c)	3 (c)	4 (c)	5 (d)	6 (d)	7 (c)	8 (c)	9 (b)	10 (b)
11 (a)	12 (d)	13 (b)	14 (c)	15 (c)	16 (b)				

2023 June 13 Shift I

1. Match List I with List II

List I (A.T. Kearney Globalization Index)		List II (Variables)	
A.	Economic Integration	I.	International Tourism and Travel
B.	Personal Integration	II.	Internet users
C.	Technological Integration	III.	Foreign Direct Investment
D.	Political Integration	IV.	Ratification and multilateral treaties

Choose the correct answer from the options given below:

- (a) A-IV, B-III, C-II, D-I (b) A-III, B-I, C-II, D-IV
(c) A-III, B-II, C-I, D-IV (d) A-IV, B-I, C-II, D-III

- 2.** Which of the following one considered as supply factors affecting the flow of Foreign Direct Investment (FDI):
- Customer access
 - Economic Priorities
 - Resource Availability
 - Avoidance of Trade Barrier
 - Logistics
- Choose the most appropriate answer from the options given below:
- A and B only
 - B and D only
 - C and E only
 - A and E only
 - B, D and E only
 - A, C and D only
- 3.** Regional Economic Integration is an attempt to achieve economic gains from the free flow of trade and investment between countries. One such association is NAFTA. NAFTA comprises of the following countries:
- USA, Canada, Mexico
 - USA, Canada Brazil
 - USA, Mexico, Brazil
 - Canada, Mexico, Panama
- 4.** In which of the following balance of payment accounts changes in holdings of gold and foreign currencies by official monetary institutions are accounted for.
- Current Account
 - Capital Account
 - Official Reserves Account
 - Foreign Exchange Account
- 5.** Who was of the opinion that labour was “the father of wealth” and it must be included in any estimate of national wealth?
- William Far
 - William Petty
 - William C. Pyle
 - Flamholtz
- 6.** Which one group of the following countries are members of ASEAN?
- Laos, Cambodia, Brunei
 - Malaysia, Thailand, Taiwan
 - Myanmar, Singapore, Hong Kong
 - Fiji, Laos, Cambodia
- 7.** The Directorate General of Foreign Trade (DGFT) facilitates and promotes foreign trade in India and also implements the foreign trade policy of India. Which of the following union ministry governs the DGFT?
- Ministry of Commerce and Industry
 - Ministry of Science and Technology
 - Ministry of Finance
 - Ministry of External Affairs
- 8.** Given below are two statements: One is labeled as Assertion A and the other is labeled as Reason R
 Assertion A: By removing barriers between national markets, trading blocks create competition due to bigger trading area.
 Reason R: Increased competition can lead to the closure of local industry and harm domestic consumption.
 In the light of the above statements, choose the most appropriate answer from the options given below:
- Both A and R are correct and R is the correct explanation of A
 - Both A and R are correct but R is not the correct explanation of A
 - A is correct but R is not correct
 - A is not correct but R is correct
- 9.** The steps to followed by a firm while strategizing to go international are as follows:
- Deciding when to enter
 - Deciding which market to enter
 - Deciding whether to go global
 - Choosing a mode of entry
 - Deciding how to enter the chosen market
- Choose the correct answer from the options given below:
- E, D, C, B, A
 - C, A, E, D, B
 - C, B, A, E, D
 - A, B, C, E, D

Answer Key

1 (b)	2 (c)	3 (a)	4 (c)	5 (b)	6 (a)	7 (a)	8 (c)	9 Drop	
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2023 June 13 Shift II

1. Published by the UNDP, the HDI is summary measure of human development It measures the average achievements of a country in three basic dimensions of human development and include the following:
 - (a) Standard of living, Income and Occupation
 - (b) Education, Occupation and Health
 - (c) Health, Education and Standard of living
 - (d) Poverty, Health and Standard of living
2. In order to protect domestic industries, trade restrictions are often been allowed and justified to counteract which of the following dumping practices?
 - (a) Persistent dumping
 - (b) Predatory dumping
 - (c) Sporadic dumping
 - (d) Reverse dumping
3. Which of the following are likely to lead an appreciation in the value of a country's currency?
 - A. Higher real interest rate
 - B. Higher nominal interest rate
 - C. Lower inflation
 - D. Higher inflation
 - E. Large current account deficit

Choose the correct answer from the options given below:

 - (a) B, C only
 - (b) A, C only
 - (c) D, B only
 - (d) E, A only
4. A. T. Kearney foreign policy Globalisation Index (2007) is a comprehensive framework to measure globalization. It is based in 12 variables, grouped into which four baskets?
 - (a) Economic integration, Political integration, Knowledge integration, Social integration
 - (b) Personal integration, Tecjnological integration, Economic integration, Political integration
 - (c) Social integration, Political integration, Personal integration, Technological integration
 - (d) Knowledge integration, Economic integration, Political integration, Technological integration
5. Sequence the conduct of following trade negotiation and facilitation rounds in chronological order:
 - A. Kennedy round
 - B. Doha round
 - C. Geneva round
 - D. Tokyo round
 - E. Uruguay round

Choose the correct answer from the options given below:

 - (a) B, D, C, A, E
 - (b) C, A, D, E, B
 - (c) A, B, D, C, E
 - (d) D, C, A, E, B
6. The problem of persistent current account deficit can be avoided by pursuing which of the following policies?
 - A. Encouraging savings
 - B. Controlling fiscal deficit
 - C. Devaluation of domestic currency
 - D. Curtailing productivity
 - E. Reduced dependence in costly external commercial borrowings

Choose the correct answer from the options given below:

 - (a) A, B, D only
 - (b) B, C, E only
 - (c) C, D, E only
 - (d) D, E, A only
7. The potential benefit of FDI to host countries include which of the following:
 - A. Access to superior technology and increased competition
 - B. Employment generation
 - C. Increase in domestic investments
 - D. Bridging host country's foreign exchange gaps
 - E. Reduction in income inequality

Choose the correct answer from the options given below:

 - (a) B, D, E only
 - (b) A, B, E only
 - (c) C, E, D only
 - (d) A, C, D only

8. Match List I with List II

List I

- International Trade theories
- A. Factor Endowment theory
- B. Product Life Cycle theory
- C. Absolute Cost Advantage theory
- D. Competitive Advantage theory

List II

- Theory Propounder
- I. Adam Smith
- II. Michael Porter
- III. Hecksher and Ohlin
- IV. Reymond Vernon

Choose the correct answer from the options given below:

- (a) A-I, B-III, C-II, D-IV
- (b) A-III, B-IV, C-I, D-II
- (c) A-II, B-III, C-I, D-IV
- (d) A-IV, B-I, C-III, D-II

9. Which of the following economic narratives relates the trade between any two countries to the sign of their economies?

- (a) Philips curve
- (b) Fisher effect
- (c) Gravity model
- (d) Kuznets curve

10. Which of the following drive growth of international business in digitally interconnected world?

- A. Strong consumption in global south
- B. Dynamic exchange, interest and inflation rates
- C. Formation of trade promoting regional groups
- D. Regulated capital and portfolio flows
- E. Demographic dividend and low cost manufacturing

Choose the correct answer from the options given below:

- (a) A, B and C only
- (b) C, D and E only
- (c) B, D and E only
- (d) A, C and E only

Answer Key

1 (c)	2 (b)	3 (b)	4 (b)	5 (b)	6 (b)	7 (d)	8 (b)	9 (c)	10 (d)
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2023 December

1. Which of the following factors are attributed to the weakening of Indian rupee?

- A. Rupee payment for international trade
- B. Rising cost of imports
- C. Widening trade deficit
- D. Opening of Rupee vostro accounts
- E. Rupee UPI payments for overseas transactions

Choose the correct answer from the options given below:

- (a) A, B, C only
- (b) C, D, E only
- (c) A, D, E only
- (d) B, C, D only

2. SAFTA (South Asian Free Trade Agreement) categorises members as Non-Least Developed Contracting States (NLDCS) and Least Developed Contracting States (LDCS). Identify the NLDCS states from the following:

- A. Bangladesh
- B. Pakistan
- C. Bhutan
- D. India
- E. Sri Lanka

Choose the correct answer from the options given below:

- (a) A, B and D only
- (b) A, C and E only
- (c) E, A and B only
- (d) E, D and B only

3. Which of the following are the reasons for substitution between domestic and MNC goods?

- A. Increased knowledge of foreign products due to international information revolution
- B. No need to conduct advertising campaigns
- C. Transportation costs having fallen to very low levels for most products
- D. Restricted international travel
- E. Tastes are consistent at the global level

Choose the correct answer from the options given below:

- (a) A and C only
- (b) D and E only
- (c) C and D only
- (d) A and B only

4. Which of the following are relevant in technological innovations?
 A. Most innovations are incremental
 B. Most innovations involve the commercial utilization of ideas
 C. Innovations cannot be explained with isoquants
 D. Introduction of innovations is not stimulated by strong domestic rivalry and geographical concentrations
 E. The risk in introducing innovations is usually high

Choose the correct answer from the options given below:

- (a) B, D and E only (b) A, C and E only
 (c) A, B and E only (d) A, B and C only

5. Arrange the following rounds for multilateral trade negotiations under GATT/WTO in a chronological order.

- A. Kennedy B. Doha
 C. Annecy D. Torquay
 E. Tokyo

Choose the correct answer from the options given below:

- (a) C, D, A, E, B (b) D, C, E, A, B
 (c) B, A, E, C, D (d) B, E, A, D, C

6. In International Commercial Terms (INCOTERMS), identify the one, under which the delivery of goods to the named place of destination (discharge) takes place at the seller's expense. Buyers assume the cargo insurance, import custom clearance, payment of customs duties, taxes and other costs and risks.

- (a) Carriage and Insurance Paid To (CIP) (b) Cost, Insurance and Freight (CIF)
 (c) Carriage Paid To (CPT) (d) Cost and Freight (CFR)

7. Match List I with List II

List -I (Nature of business activity)	List -II (FDI permitted under Automatic Route)
A. Trading in Transferable Development Rights (TDR)	I. 49%
B. Multi-brand Retail Trading	II. Prohibited
C. Satellite (Establishment and operation)	III. 51%
D. Petroleum Refining (by PSUs)	IV. 100%

Choose the correct answer from the options given below:

- (a) A-IV, B-II, C-III, D-I (b) A-II, B-III, C-IV, D-I
 (c) A-I, B-III, C-II, D-IV (d) A-IV, B-II, C-I, D-III

8. For Foreign Direct Investment, it is argued that a location in question attracts FDI because it combines the unique advantage of which of the following conditions?

- A. Internationalisation Advantage
 B. First Mover Advantage
 C. Knowledge Advantage
 D. Ownership Advantage
 E. Location Advantage

Choose the correct answer from the options given below:

- (a) E, A and C only (b) E, A and D only
 (c) C, B and D only (d) C, E and D only

9. _____ as defined under the Foreign Trade Policy (FTP), implemented by Director General of Foreign Trade has the main aim to 'mentor new and potential exporters on the intricacies of foreign trade through counseling, training and outreach programmes' so that they can get into international trade.

- (a) Niryat Bharat Scheme (b) Niryat Bandhu Scheme
 (c) Niryat Benefit Scheme (d) Niryat Border Scheme

10. The exporting firm is termed 'rider' whereas the other firm with an established distribution channel in the target country is termed as 'carrier'. This phenomenon is known as:

- (a) Counter Trade (b) Barter
 (c) Piggy Backing (d) Switch Trading

Answer Key

1 (d)	2 (d)	3 (a)	4 (c)	5 (a)	6 (c)	7 (b)	8 (b)	9 (b)	10 (c)
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