

Question: Time limit for importing goods into the country is reckoned from

Options:

- a) Date of invoice
- b) Date of payment
- c) Financial year beginning
- d) Date of payment credited to supplier's account
- e) Date of sales contract

Answer: **Date of payment**

Question: Which system has been devised by RBI for monitoring of Import Transactions

Options:

- a) Import Data Processing and Management System
- b) Import Data Processing and Management Software
- c) Import Data Processing and Monitoring System
- d) Import Data Processing and Monitoring Software
- e) Import Data Practice and Management System

Answer: **Import Data Processing and Monitoring System**

Question: When exposure exceeds USD _____, opinion report on overseas supplier should be obtained before making Import Payment

Options:

- a) 25000
- b) 50000
- c) 100000
- d) 200000
- e) 500000

Answer: **100000.00**

Topic- Foreign Exchange

Question: Goods consigned to the importers of Nepal and Bhutan from third countries from India would qualify as

Options:

- a) Traffic in Transit
- b) Tariff in Transit
- c) Quota in Transit
- d) Merchant in Transit
- e) Trade in Transit

Answer: **Traffic in Transit**

Question: Total Merchant Trade Transaction should be completed within

Options:

- a) 4 Months
- b) 6 Months
- c) 9 Months
- d) 12 Months
- e) 15 Months

Answer: **9 Months**

Questions: Fund outlay in MTT should not be more than

Options:

- a) 4 Months
- b) 6 Months
- c) 9 Months
- d) 12 Months
- e) 15 Months

Answer: **4 Months**

Question: All L/Cs issued under UCP 600 are _____ even if not expressly mentioned

Options:

- a) Revocable

Topic- Foreign Exchange

- b) Irrevocable
- c) Revolving
- d) Transferable
- e) Confirmed

Answer: **Irrevocable**

Question: An L/C that stipulates for sanction of pre-shipment credit by Nominated Bank is called

Options:

- a) Red Clause L/C
- b) Green Clause L/C
- c) Yellow Clause L/C
- d) Advance Clause L/C
- e) Pre-shipment L/C

Answer: **Red Clause L/C**

Questions: A Sight L/C is also called _____ credit

Options:

- a) Demand
- b) Usance
- c) Payment
- d) Acceptance
- e) Deferred

Answer: **Payment**

Question: L/C opened by Exporters Bank on the strength of original L/C is

Options:

- a) Red Clause L/C
- b) Anticipatory L/C
- c) Back-to-Back L/C
- d) Revolving L/C
- e) Revocable L/C

Answer: **Back-to-Back L/C**

Topic- Foreign Exchange

Question: A credit under which the beneficiary has the right to give instructions to the bank to make the credit available in whole or in part to one or more parties is called _____ L/C

Options:

- a) Transferrable
- b) Revolving
- c) Back-to-Back
- d) Irrevocable
- e) Anticipatory

Answer: **Transferrable**

Question: While assessing L/C limit, _____ is to be taken in account

Options:

- a) Procurement Time
- b) Shipping Time
- c) Negotiation Period
- d) Lead Time
- e) Transit Period

Answer: **Lead Time**

Question: In general, L/C issued are governed by the provisions of _____ issued by International Chambers of Commerce

Option:

- a) URC 522
- b) UCP 500
- c) UCP 600
- d) URR725
- e) URC 600

Answer: **UCP 600**

Question: As per Article 14 (b) of UCP 600, what is the maximum time given to the banks for examination of documents received under LC?

Options:

Topic- Foreign Exchange

- a) 5 banking days including the date of receipt
- b) 3 banking days following the date of receipt
- c) 5 banking days following the date of receipt
- d) 7 banking days from the date of receipt
- e) 7 banking days including the date of receipt

Answer: 5 banking days following the date of receipt

Question: Commercial Invoice must appear to have been issued by Beneficiary but need not be signed as per _____ of UCPDC, 600

Options:

- a) Article 14
- b) Article 16
- c) Article 18
- d) Article 20
- e) Article 22

Answer: Article 18

Question: As per article 36 of UCP 600 “Force Majeure” Means

Options:

- a) Foreign Remittances being stopped by the country due to war
- b) Throwing goods from the ship to stop it from sinking
- c) Bank remaining closed due to calamities viz., wars, riots, acts of terrorism etc
- d) Getting the Payment under LC forcibly through use of external forces
- e) Stopping payment by Beneficiary's request

Answer: Bank remaining closed due to calamities viz., wars, riots, acts of terrorism etc

Question: The total number of articles in Uniform Customs and Practices for Documentary Credits (UCP 600)?

Options:

- a) 45
- b) 39

Topic- Foreign Exchange

- c) 37
- d) 21
- e) 41

Answer: 39

Question: Which article of UCP 600 deals with Standard examination of documents?

Options:

- a) Article 5
- b) Article 10
- c) Article 14
- d) Article 15
- e) Article 16

Answer: Article 14

Question: Which article of UCP 600 states 'Banks deal with documents and not with goods'?

Options:

- a) Article 5
- b) Article 10
- c) Article 15
- d) Article 17
- e) Article 21

Answer: Article 5

Questions: As per which article of UCPDC can a credit neither be amended nor cancelled without the agreement of the issuing bank, the confirming bank, if any, and the beneficiary?

Options:

- a) Article 5
- b) Article 10
- c) Article 14
- d) Article 15
- e) Article 16

Topic- Foreign Exchange

Answer: **Article 10**

Question: ICC stands for

Options:

- a) International Commercial Centre
- b) International Chambers of Commerce
- c) International Commercial Chambers
- d) International Chambers for Commercialisation
- e) International Commerce Centre

Answer: **International Chambers of Commerce**

Question: The maximum usance period permitted under Trade Credit for import of non-capital goods is

Option:

- a) up to 3 Months
- b) up to 6 Months
- c) up to 9 Months
- d) up to 1 year
- e) up to 1 year or the operating cycle whichever is less

Answer: **up to 1 year or the operating cycle whichever is less**

Question: The maximum usance period permitted under Trade Credit for import of capital goods is

Options:

- a) up to 1 year from shipment date
- b) up to 2 years from shipment date
- c) up to 3 years from shipment date
- d) up to 5 years from shipment date
- e) up to 10 years from shipment date

Answer: **up to 3 years from shipment date**

Topic- Foreign Exchange

Question: Lender for Trade Credit can be....

Options:

- a) Overseas Supplier
- b) Banks
- c) Financial Institutions
- d) Foreign Equity Holders
- e) All the above

Answer: **All the above**

Question: The maximum period permitted by RBI for buyer's credit is to be reckoned from?

Options:

- a) The date of issuing buyer's credit
- b) from the date of receipt of quote
- c) From the date of shipment
- d) from the date of acceptance of quote
- e) from the date of Bill of Exchange

Answer: **From the date of shipment**

Question: Data on issuance of LCs, guarantees by all its branches, in a consolidated statement, is to be submitted by the bank to Chief General Manager-in-charge, FED, ECB Division, RBI, Central Office, Mumbai on _____ basis

Options:

- a) Fortnightly
- b) Monthly
- c) Quarterly
- d) Hal Yearly
- e) Yearly

Answer: **Quarterly**

Question: To what extent of USD _____ or equiv. customers can receive import bills directly?

Topic- Foreign Exchange

Options:

- a) USD 300000.00
- b) USD 200000.00
- c) USD 100000.00
- d) USD 500000.00
- e) USD 25000.00

Answer: **USD 300000.00**

Question: The following is the documentary evidence to be submitted by the importer to the bank as evidence of import

Options:

- a) Shipping Bill
- b) EDF Form
- c) Custom certified invoice
- d) Bill of Entry
- e) Arrival Notice

Answer: **Bill of Entry**

Question: Documentary evidence of import is to be furnished within..... after the import of goods.

Options:

- a) 15 Days
- b) 30 Days
- c) 45 Days
- d) 60 Days
- e) 90 Days

Answer: **15 Days**

Question: Advance remittance should be affected direct to?

Topic- Foreign Exchange

Options:

- a) Agent
- b) Supplier
- c) Broker
- d) Agent's Bank
- e) B and C

Answer: **Supplier**