



# **SEBI- GRADE A**

## **INTERNATIONAL TRADE PART-2 PRACTICE QUESTIONS**



**Q.1) Which theory proposed that consumers in countries that are in the same or similar stage of development would have similar preferences.**

- [a] Location Advantage theory**
- [b] Company Similarity theory**
- [c] Country Similarity theory**
- [d] Industry similarity theory**

**Q.2) Which theory focused on MNCs and their efforts to gain a competitive advantage against other global firms in their industry-**

**[a]Theory of Comparative Advantage**

**[b]Theory of Competitive Advantage**

**[c]Global Strategic Rivalry**

**[d]National Competitive Advantage Theory**

**Q.3) Which of the following is not one of the Advanced factors as per the Porters diamond theory-**

**[a]Education**

**[b]Infrastructure**

**[c]Unskilled labour**

**[d]Technology driven machinery**

**Q.4) Which theory propounded that the good which has been initially developed in a country will finally be imported by the same country once trade tends to flourish or spread in the world-**

- [a] Porters diamond theory**
- [b] Product life cycle theory**
- [c] Country Similarity theory**
- [d] Global Rivalry Theory**

**Q.5) Many countries continue to require that a certain percentage of a product or an item be manufactured or “assembled” locally, what is the requirement known as-**

- [a] Local Content Requirements**
- [b] VER**
- [c] Administrative Requirements**
- [d] Local Subsidies**