

## Principle of Commerce (English Medium) - 11th Class Principle of Commerce Chapter 14 Short Questions Preparation

Q1. What is the meant by indent.

**Ans 1:** Indent contains the feature of both inquiry and order letter. The importer sends and indent to exporter indent contains information like quantity and quality of goods date of delivery, method of packing etc.

Q2. Define export trade.

**Ans 1:** If the goods and services are sold to the trader of another country then it is called export trade.

Q3. State the methods of selling goods in foreign countries.

**Ans 1:** i- Advertisement ii- Personal visit

**Ans 2:** iii- Travelling agents iv- Foreign agents

**Ans 3:** v- Permanent branch.

Q4. What is acceptance of indent.

**Ans 1:** After receiving indent, the exporter examines the terms and condition written in it. If the term of indent are acceptable then he informs the importer about it. This is called acceptance of indent.

Q5. When documents are prepared by the exporter after the settlement of affairs.

**Ans 1:** When all the matters have been settled between importer and exporter then latter prepares following documents for selling goods.

**Ans 2:** i- Invoice ii- Consular invoice iii- Certificate of origin

Q6. State the procedure or steps of exporting goods.

**Ans 1:** 1- Obtaining and acceptance of indent.

**Ans 2:** 2- Procuring the goods. 3- Registration and import license

**Ans 3:** 4- Preparation of documents 5- Packing and shipment.

**Ans 4:** 6- Insurance of goods 7- Dispatching the documents

**Ans 5:** 8- Securing payment.

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Q7. What is open indent

**Ans 1:** If the exporter is made responsible for deciding the quality and price of goods, along with other factors, then it is called open indent.

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Q8. Define closed indent

**Ans 1:** If the price and quality of goods alongwith other factors are decided before the excution of order then it is called closed indent.

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Q9. What is closed indent

**Ans 1:** If the price and quality of goods along with other factors are decided before the execution of order them it is called closed indent.

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Q10. Define Open indent

**Ans 1:** If the exporter is made responsibel for deciding the quality and price of goods, alongwith otehr factors then it is called open indent.

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