



**Second Term Test - Grade 12 - 2019**

Index No : ..... **Business Studies I** **Two Hours**

**Instructions**

- ❖ Answer all questions in this paper itself.
- ❖ Write the number of correct answer in the given bracket for the questions No. 1 to 30.
- ❖ Write the correct answer on the dotted lines for the questions No. 31 to 50.
- ❖ Every question carries 2 marks.

01. Which one of following is not a feature of an intangible product.
- |   |   |
|---|---|
| 1. It cannot be stored  | 2. It cannot be separated from the provider |
| 3.. Homogeneous products  | 4 Non availability of physical existence    |
| 5. It changes according to the supplier (Differentiability) (.....) |   |
02. Which one of following is not a feature of a business.
- |                              |                         |                      |
|------------------------------|-------------------------|----------------------|
| 1. Motivation through profit | 2. Not having a risk    | 3. Creating of wants |
| 4. Continuous transactions   | 5. An economic activity | (.....)              |
03. Which one of following answer shows the evolution of money in the correct order.
1. Usage of materials, usage of metals, using metallic coins, usage of notes and coins, using bank money using electronic money.
  2. Usage of materials, usage of metallic coins, usage of metals, using notes and coins, using bank money, using electronic money
  3. Usage of materials, usage of metals, using metallic coins, using notes and coins, using electronic money, using bank money.
  4. Using metals, using materials, using metallic coins using notes & coins, using bank money using electronic money
  5. Using metallic coins, using metals, using materials, using notes and coins, using electronic money, using bank money. (.....)
04. Which one of following is not a business of territory sector.
1. Purifying and distributing water
  2. Supplying food and accommodation
  3. Government administration and national security
  4. Construction activities
  5. Information and communication activities. (.....)

05. Which one of following is not an input of a business.  
 1. Time      2. Capital      3. Information      4. Product      5. Entrepreneurship (.....)
06. Which one of following is not a strengthen of business analysis  
 1. Having motivated employees  
 2. Having developed and inheritant behaviors and traditions in the organisations culture.  
 3.. Following favorable policies to the businesses given by the government  
 4. Having a strong capital with owners  
 5. Having substantial quality products (.....)
07. Business Social Responsibility is the taking personal responsibility of business operation, and impact of them towards the society. This definition was given by.  
 1. Philippine                      2. Malan Baker                      3. USA  
 4. World Business Council      5. Narayon Moorthi (.....)
08. Which one of following is a BSR towards society.  
 1. Giving reasonable income                      2. Minimizing harmful effects  
 3. Providing vocational safety                      4. Maintaining a proper employee relations  
 5. Contribution towards employment (.....)
09. Which one of following is a major part of sustainable development  
 1. Economic sustainability      2. Legal sustainability      3. Geographical sustainability  
 4. Global sustainability      5. Basic sustainability (.....)
10. customer, competitors, employees, organisation culture, practicability are  
 1. Related to Business Social Responsibility      2. Related in preparing code of ethics  
 3.. Related to protect employee rights      4. Related to the quality of business  
 5.. Related to sustainable development of a business (.....)
11. Following are some taxes of trees related to government income.  
 A. Personal Income Tax      D. Custom duties                      B. Value Added Tax  
 E. With Holding Tax      C. Corporate Tax                      F. Production Tax  
 G. Capital Main Tax  
 Select the group which includes direct tax only.  
 1. ABCD      2. ACDE      3. ABDG      4. ACFG      5. ACEG (.....)
12. Which one of following is not a non tax income is government income policy.  
 1. Profit and dividends      2. Fees and charges      3. Capital gain tax  
 4.. Interest income      5. License fees (.....)
13. The instruments that can be used to operate government monetary policy is  
 1. Direct Tax                      2. Indirect Tax                      3. Interest Rate  
 4. Government expenses      5. License fees (.....)

14. Which one of following is not a function of Sri Lanka Standard Institution
1. Pre export inspection
  2. Organising training Programmer on quality
  3. Labelling energy efficiency of electrical products.
  4. Services of serial numbering
  5. Protecting consumer rights (.....)
15. What is the most suitable way of protecting consumer rights.
1. Making labelling essential for peoducts.
  2. Expanding consumer education
  3. Making standard marks; essential
  4. Enacting consumer protection laws and regulations
  5. Introducing business ethics for businesses (.....)
16. Select the wrong statement in relevant to sole proprietorships
1. Ability to start business easily
  2. Liability is unlimited
  - 3.. Enjoying profits and loses solely
  4. Protecting business secrets
  5. making the registering of business essential (.....)
17. Select the answer which does not included in partnership ordinance No. 24 of 1890.
- 1.. An interest of 5% is received for the additional money employed other than the capital
  2. Every partner has a right to be engage in management activities
  3. Profits and losses should be shared according to the share of capital.
  4. There is no salary for the service they provide.
  5. Any partner does not receive any interest for the capital (.....)
18. Select the correct answer which matches following matters correctly.
- | Business Organization       | Relevant matters                                   |
|-----------------------------|--|
| A. Sole proprietorships     | i. Controlled directly under government            |
| B. Public limited companies | ii. Complete or more ownership is with government. |
| C. Government corporations  | iii. Capital is collected through share issues.    |
| D. Corporatives             | iv. the effects of Business names ordinance 1918   |
| E. Government Departments   | v.   |
| 1. A-2, B, C-4, D-5, E-1    | 2. A-2, B-3, C-1, D-5, E-4                         |
| 4. A-4, B-3, C-2, D-5, E-1  | 5. A-4, B-3, C-2, D-1, E-5                         |
|                             | 3. A-3, B-2, C-5, D-4, E-1 (.....)                 |
19. Which one of following is a favorable feature of a private limited company compared to public limited company
1. Limited liability
  2. Ability to limit the controlling power in a limited number of people
  3. Having legal personality
  4. Having continuous existence
  5. Ability to collect more capital (.....)



26. Select the group which includes the non controllable factors to a small businessman.
- |                           |                                       |
|---------------------------|---------------------------------------|
| 1. Capital, employees     | 2. Production capacity, raw materials |
| 3.. Market, competitors   | 4. Employees, production capacity     |
| 5. Competitors, employees |                                       |
- (.....)

27. Following graph shows some financial organizations and the functions performed by them.

Institute	Functions
A Registered Financial companies	1. maintaining saving deposits and time deposits, supplying medium and long term loans.
B Licensed commercial Banks	2. Consulting on investment management preparing project reports supplying financial and marketing consultants.
C Vanik Banks	3. Maintaining demand deposits, doing foreign exchange transactions, supplying bank order facilities.
D Licensed specialized Banks	4. Financing and leasing loans, sale of land and assets.

Selects the answer which matches the institute with the function.

- |                       |                       |                     |
|-----------------------|-----------------------|---------------------|
| 1. A-1, B-4, C-3, D-1 | 2. A-1, B-2, C-3, D-4 | 3. A-3, B-1,C-4,D-2 |
| 4. A-4,B-3, C-2, D-1  | 5. A-4, B-1, C-3, D-2 |                     |
- (.....)

28. Which one of following can be considered as a monetary substitute
- |                      |                   |                   |                      |
|----------------------|-------------------|-------------------|----------------------|
| 1.. Credit card      | 2. Treasury bonds | 3. Treasury Bills | 4. Commercial papers |
| 5. Bills of exchange |                   |                   |                      |
- (.....)

29. Central Bank of Sri Lanka is considered the Banker of banks because,
- |  |  |
|--|--|
| 1. It acts as the bank of government         | 2. It issues notes and coins               |
| 3.. It maintains bank settlement institution | 4. It maintains deposits reserves of banks |
| 5. It issues licenses to the banks.          |  |
- (.....)

30. An organization which has been authorized by CBSL to accept deposits from public
- |                                    |                        |                |
|------------------------------------|------------------------|----------------|
| 1. Vanik Banks                     | 2. Leasing Companies   | 3. Unit Trusts |
| 4.. Registered financial companies | 5. Insurance companies |                |
- (.....)

• **Fill in the blanks of the questions 31 to 40 with suitable answers**

- 31 (a) The unstable situation of the country in the past is a ..... environmental factor and it affected businesses and investments adversely.
- (b) Increasing cost of living decreasing GNP etc are the forces of ..... environments.

32. (a) Equality means a combination of ..... sustainable development and ..... sustainable development
- (b) Viability means a combination of ..... sustainable protection and ..... sustainable development.
33. (a) The main objective of government Fiscal policy is to protect ..... and the main objective of government monetary policy is to maintain..... in local economy.
- (b) The amount of tax in 2017 as a percentage of GDP is ..... and the non tax income is ..... per cent.
34. (a) Determining of minimum rate of capital and assets of commercial banks by CBSL relates to ..... and the recommendation of the fields to which they should provide loans relates to .....
- (b) The act which relates to tax policy is ..... and it is effective from .....
35. (a) The corporatives of Sri Lanka are registered under ..... act and
- (b) The companies are registered under ..... act.
36. (a) ..... is the act which states that the partnerships starting by investing more than Rs. 1000 should have a written agreement.
- (b) A public limited company should obtain ..... certificate in order to start the business operations
37. .... states that entrepreneurship is acting as the intermediary between capital and labour.  
"The ability of starting a new business and to maintain it successfully is the entrepreneurship", this definition has been given by .....
38. (a) Thinking pattern of an entrepreneur in a same modal is considered as .....
- (b) Providing products by identifying the needs and wants of the consumers worldwide is called as ..... entrepreneurship
39. NEDA stands for ..... which is an organisation providing incentives to small and medium scale business in Sri Lanka. SLCSMI stands for .....
40. (a) The exchange rate of USD and Sri Lanka rupee today is .....
- (b) The payment and settlement system which support the operations and stability of financial system is called .....

• **Write answers for followings.**

41. Name 4 Factors that can be seen in demographic environment.

1. ....
2. ....
3. ....
4. ....

42. Name 4 factors of global environment influencing the business.

1. ....
2. ....
3. ....
4. ....

43. Name 4 benefits that can be gained by a business by fulfilling BSR.

1. ....
2. ....
3. ....
4. ....

44. Name 4 matters which makes the government support important for the businesses.

1. ....
2. ....
3. ....
4. ....

45. Name 4 consumer rights declared by consumers international.

1. ....
2. ....
3. ....
4. ....

46. Name 4 documents relating to the registration of a incorporated company.

1. ....
2. ....
3. ....
4. ....

47. How the private sector businesses are classified

1. ....
2. ....
3. ....
4. ....

48. Name 4 entrepreneurial skills.

1. ....
2. ....
3. ....
4. ....

49. Name 4 reasons for the failure of small scale businesses

1. ....
2. ....
3. ....
4. ....

50. Name 4 agency services of CBSL

1. ....
2. ....
3. ....
4. ....





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**Provincial Department of Education - NWP**

32 E II

**Second Term Test - Grade 12 - 2019**

Index No : ..... **Business Studies II** **Three Hours**

**Instructions.**  
**Write answers for all questions.**

- 01. (i) (a) Define the term 'Business' (2 marks)
- (b) Write 4 differences in between goods and services which satisfy consumer needs and wants. (2 marks)
- (ii) Sameera purchased a watch through Ebay. The idea of some people is there is not a market existing in this situation. Define 'Market' and state wheteher this transaction has happened in a market. (4 marks)
- (iii) (a) Explain the differences in between 'Direct production' and 'Indirect production' (2 marks)
- (b) Classify the concept 'Commerce" widely; in flow chart. (2 marks)
- (iv) (a) Give 4 reasons for the expansion of e-commerce at present (2 marks)
- (b) Name 4 new trends in business field which immerged due to the development of information technology. (2 marks)
- (v) Vimal started a private limited company with the view to produce yoghurt 5 employees are working in this business.  
 Define above business according to the nature of product ownership, objective, scale and production sector. (4 marks)
- 02. (i) Give the new classification of industrial sector according to the Central Bank Annual Report.
- (ii) (a) Explain 'Research and Development" as a function of business. (2 marks)
- (b) Kumara started production of icle brooms as a small scale business. There are 6 employees working there right now and they produce 180 icle brooms per day. Give the production process of this business as an input output process (2 marks)
- (iii) (a) Name and explain 2 reasons for the creditors to be interested in the business (2 marks)
- (b) Name and explain two reasons to why government is important for businesses
- (iv) (a) Name 4 internal environment forces and 4 task environment forces (2 marks)
- (b) Management consultants exclaim that there are many weaknesses of Rashmitha's business due to its employees. Name such 4 weaknesses of employees. (2 marks)
- (v) (a) Name 4 matters that should be concerned on behalf of the economic sustainability of a business. (2 marks)
- (b) Name 4 ways that a business can contribute towards social and cultural sustainability.

03. (i) (a) Explain how to concern about the social culture when preparing a code of ethics. (2 marks)  
 (b) Name and explain the reasons for the increasing attention of public with regard to business ethics and business social responsibility (2 marks)
- (ii) (a) Explain 'Sustainable Development' (2 marks)  
 (b) Explain why sustainable development is more important than economic development of a country. (2 marks)
- (iii) Explain how following business ethics are important for a business. (4 marks)
- (iv) (a) Explain the present importance of following financial and accounting ethics (2 marks)  
 (b) Explain how organizational culture should be concerned in preparation of a code of ethics.
- (v) (a) Name 4 ways through which a government can influence the businesses. (2 marks)  
 (b) Businesses support achieving government objectives in various ways. Name and describe 4 ways how businesses support to achieve government objectives (2 marks)
04. (i) Classify government income and draw a flow chart showing the types of tax relevant to each category (4 marks)
- (ii) (a) Name and explain 4 economic objectives of a government. (2 marks)  
 (b) Explain the importance of maintaining mutual relationship between government and businesses. (2 marks)
- (iii) (a) classify government expenditures and explain each one using examples (2 marks)  
 (b) Explain following shortly.  
 i. Standing depository facility Rate  
 ii. Standing lending facility Rate
- (iv) (a) What are the reasons for consumer protection to be important more at present than the past.  
 (b) Explain how a rational consumer behaves in the market. (2 marks)
- (v) (a) Give 4 advantages to the consumer and businessman each as a result of consumer protection (2 marks)  
 (b) Name 4 government institutions in Sri Lanka which acts in order to protect consumers.
- 05 . (i) (a) The government acts as the main operator of its economy. Explain this (2 marks)  
 (b) What are the economic agents in an economy.
- (ii) (a) Hospital, Temples, Super Markets are some of the formal organizations which satisfy common objectives of the society. Name 4 common features of these formal organizations. (2 marks)  
 (b) Define "Business Organizations" shortly. Give 02 examples for each goods supplying and service supplying business. (2 marks)
- (iii) (a) The criteria of ownership is important in various criteria of Business Classification. Show the classification of business under government ownership (2 marks)  
 (b) Name 2 types of private sector business of which the liability is unlimited. Is it essential to register those two business? Give your ideas on that. (2 marks)
- (iv) (a) Sasitha, Asitha and Thusitha are three brothers and they have followed a course of legal matters and they have started a business relating to solving legal matters of with the view to earn some profit. Name the most suitable type of business for then and give reasons for your answer. (2 marks)
- (v) (a) Define government Corporations and give 4 different names used to identify them. (2 marks)  
 (b) Write 6 reasons for the failure or inefficiency of government corporations in Sri Lanka at present. (2 marks)

06. (i) (a) Compare partnerships and private limited companies based on following factor.
- |                      |                    |              |
|----------------------|--------------------|--------------|
| 1. Registration      | 2. Number of Owner | 3. Liability |
| 4. Legal Personality | 5. Survival        | 6. Control   |
- (2 marks)
- (b) Companies act No 07 of 2007 affect not only to register a business but also to decide the number of members.  
Name the types of business organisations registered under this act and the number of members are decided. (2 marks)
- (ii) (a) Name the ownership and the type of business of the following business organisations.
- |                          |   |
|--------------------------|---|
| 1. Samagi Stores         | 2. David and Sons                       |
| 3. Ceylinco PLC          | 4. Lanka Electricity Company (pvt) Ltd. |
| 5. Maliban Biscuits Ltd. | 6. Lanka Phosphate Company              |
- (2 marks)
- (b) Public limited companies are very important for the economy of the country. Do you agree with the above statement. Give reasons for your answer. (2 marks)
- (iii) (a) Define co operative business as defined by International Co operative organization. (2 marks)
- (b) Name the Co operative policies declared by Manchester council. (2 marks)
- (iv) Entrepreneurship is the factor which has contributed to the development of many countries. Joseph given by ..... Define entrepreneurship and entrepreneur. (2 marks)
07. (i) (a) Name social and economic benefits of entrepreneurship. (2 marks)
- (b) All the enterprises in an economy are businesses and all businesses are enterprises. Do you agree write this statement ? give reasons. (2 marks)
- (ii) There are many trends in entrepreneurship at present explain internal entrepreneurship and social entrepreneurship from them. (4 marks)
- (iii) (a) Tharindu is a person with entrepreneurial skills but his father expects him to improve his entrepreneurial characteristics and skills. Explain ways that can be used by Tharindu to improve / develop his entrepreneurial characteristics and skill. (2 marks)
- (b) Name and explain the entrepreneurial process. (2 marks)
- (iv) (a) Name & Features of small and medium scale business. (2 marks)
- (b) Small and medium scale businesses contribute the economic development of a country largely. Explain how it happens. (2 marks)
- (v) (a) Explain the inter - relationship in between small and medium scale businesses and large scale businesses. (2 marks)
- (b) Name 4 government and 4 private organisations which support the success of small and medium scale businesses. (2 marks)
08. (i) There are many projects which operate presently to provide subsidies for the development of small and medium scale businesses. Name and explain 4 such projects. (4 marks)
- (ii) (a) What is meant by Internet Banking. (2 marks)
- (b) What are the reasons for rapid development of the internet banking. (2 marks)
- (iii) (a) Name 4 functions of central Bank of Sri Lanka to administrate the commercial banks. (2 marks)
- (b) What is a credit factoring organisations. (2 marks)
- (iv) (a) Name 4 special financial institutions in financial system. (2 marks)
- (b) Name 4 feature of good money. (2 marks)
- (v) (a) Name 4 facilities which facilitate electronic money transaction. (2 marks)
- (b) A unit trust consists of 3 parties. What are they. (2 marks)



## Part - II

01. i. a. Needs cannot be changed by anyone. They are in born. Wants are created based on needs, income, promotion, exhibition and technology. Businessmen use various strategies to inform customers regarding their products. It creates a motivation to purchase and therefore the businessmen creates needs. (2 marks)
- b. Business means any economic activity which satisfy human needs and wants. therefore businesses are an essential factor for the survival of mankind creating innovations, generating employment opportunities, increasing GDP, minimizing the gap of balance of payment are done by businesses and therefore businesses are essential for the economic development. (2 marks)
- ii. a. 1. Survival in the market. 2. Maximizing sales.  
3. Increasing market share. 4. Personal satisfaction of employers.  
5. Social & public welfare. (2 marks)
- b. 1. Fulfilling human needs & wants. 2. Adding some value to the resources.
- iii. 1. Owners - To ensure the existence of business.  
2. Employees - To increase employee effectiveness. / To create employee satisfactions.  
3. Credit suppliers - To obtain continuous fund requirements.  
4. Government - To obtain infrastructure facilities.  
5. Customers - To protect the market share for the product. (4 marks for 4 matters)
- iv. a. Customers, Competitors, substitute providers, suppliers, potential businessmen.  
b. **Customers** - They are the people who purchase products of the business. If the number of customers are high, it is an opportunity for business & if the number of customers are low it is a threat for the business.  
**Competitors** - These are the parties who provide similar types of products to the market. If the number of competitors are high, it is a threat and if the number of competitors are low it is an opportunity of the business.
- v. 1. Supplying quality goods at lower prices. 2. Creating innovations  
3. Identifying consumer needs & wants & satisfying them. 4. To receive profits.  
5. To have employee dedication. 6. To give good returns to the interested parties.

02. i. a. \* Economic Environment \* Political Environment \* Legal Environment  
\* Demographic Environment \* Technological Environment \* Natural Environment  
\* Social & Cultural Environment \* Global Environment (2 marks for 4)
- b. Give 2 marks for 2 examples which define the inter-relationship between two environment factors each.
- ii. a. 1. High competition. 2. High cost.  
3. High employee influences. 4. Organizing of customers.  
5. Necessity of following technological changes.  
6. Business social Responsibility. (2 marks for 4 matters)

b. <b>Input</b>	Process	Output
Land	Production	Goods & Services
Labour	Administration	
Capital	Marketing	
Entrepreneurship	Finance Management	
Information	HR Management	
Time	Research & Developments	
Knowledge		

- iii. Give 4 marks for 4 business functions named & explained.

- iv. a.

Needs	Wants
Limited	Unlimited
Common	Different
Essential to satisfy	Not essential to satisfy
Cannot be created by businessmen	Can be created by businessmen

- b. Yes. wants are the various ways that can be used to satisfy needs. They are determined by income promotion and social relations. (2 marks)
- v. Specialization means being engaged in a task which is comparatively advantageous. Personal specialization, institutional specialization, Regional specialization, National specialization etc. are some categories of specialization. (4 marks for explanation)
03. i. a. Customers, Employees, Owners, Society. (4 marks for matters)
- b. Equality, Better human relations, Professional safety, Health facility. (2 marks)
- ii. a. Using of natural resources to satisfy the needs of present generation without compromising the ability of future generation to satisfy their needs & wants is expected by this. (2 marks)
- b. \* Resource utilization \* Waste management & Raw material management.  
\* Risk management. \* Protection of natural & Cultural heritage.
- iii. a. 1. Converting lower value waste materials to a high value product.  
Eg : producing sheets of paper from hay.  
2. Converting high valued products to a lower value output.  
Eg : Japanese broken car is used to produce iron. (2 marks)
- b. 1. Exporting low quantity products with the view to have high profits.  
2. Cheating customers in high competitive situation.  
3. Low concern regarding employee welfare.  
4. Wastage of natural resources.  
5. Environment pollution.  
6. Creating advertisements which are not suitable for culture or tradition. (2 marks)
- iv. a. Businesses acting with a clear understanding of goods and bad and in a way that benefits all business interested parties.
- b. Businesses, customer, employee, competitors, Social culture, organization culture, practicability. (2 marks)
- v. \* Increasing the goodwill of business. \* Easy to face competition.  
\* Ensuring the trust worthiness of the business. \* Easy HR management. (4 marks for explanation)
04. i. a. \* Full employment \* Price stability \* Economic growth  
\* Sustainable development \* Favorable international trade.  
\* Reasonable income distribution. (2 marks for 6 matters)
- b. Direct, Indirect.  
Direct Tax - This is levied on the income of business or persons and the tax is not transferrable.  
**Eg : Personal income tax, Debit tax.**  
Indirect Tax - The tax amount is paid by one person and it is transferable to another pray.  
**Eg : Custom duties, VAT, Exice duties.** (2 marks)
- ii. a. As a competitor  
Government operates some businesses competitively to the private sector. Those businesses supply goods & services competitively.  
**Eg : Education, Health, Postal and communication.**  
As a monitor  
Government administrates & supervises the activities of the businesses in the country by establishing various government institutes.  
**Eg : Transport commission, Consumer Affairs Authority.** (2 marks for descriptions)
- b. This is the fiscal policy of the government and it handles government finance its expenditures and income through government budget. As the government policy is shown by this the policy is called fiscal policy.  
Monetary policy means the government policy which controls the money supply of the country. The basic objective of this policy is to maintain price stability of the country. (2 marks for explanations)
- iii. \* Interest rates. \* Changing reserve requirements.  
\* Open market operations. \* Changing discount rates.  
\* Enacting credit limits. (2 marks for naming and 2 marks for explanation)

- iv. a. \* Supplying financial facility. \* International loan projects.  
 \* Giving technical knowledge & technology. \* Supplying management consultation services.  
 \* Giving employee training facility. \* Providing tax intervals & tax reliefs.  
 \* Providing market facility. (2 marks)
- b. **Financial Facility**  
 Through National Development Bank state mortgage & Investment Bank, Regional Development Bank etc.
- Management Facility**  
 Sri Lankan Business Development center, National Institute of Business Management.
- Technological Consultation**  
 Sri Lankan standard Institution, Export Development Board, Industrial Development Board etc.
- v. Government supports businesses by providing intra - structure facilities, financial facilities, market facilities etc.  
 Businesses support government by providing employment opportunities, utilization of resources, social welfare facilities, waste management etc. (4 marks for explanation with suitable examples.)
05. i. a. 1. The misconducts of the businesses are high due to high competition among businesses.  
 2. There are so many products to satisfy one particular need in the market.  
 3. Insufficient consumer knowledge.  
 4. Having products with various standard with the globalization. (2 marks for 4)
- b. **Consumer protection.**  
 The legal protection and education regarding the market misconducts and health while ensuring the maximum satisfaction for the money customer paid. protection through legal and customers education are called consumer protection.
- Standard specification**  
 The amount of materials, height, weight length and brand that is approved by the government as decided by Sri Lanka Standard Institution according to the local demand are called standards specification.
- ii. a. Give 2 marks for an answer which shows that consumer rights can be protected through the consumer responsibility.
- b. \* Critical awareness. \* Active participation. \* Concern over society.  
 \* Concern over environment. \* Solidarity. (2 marks)
- iii. a. \* Voluntarily \* Through SLS certification \* Pre - export inspection  
 \* Pre import inspection \* Through sea food inspection (2 marks)
- b. \* minimum legal actions \* Minimum competition  
 \* Ability to compete reasonably. \* Ability to win customer loyalty.
- iv. a. \* Pre import inspection.  
 \* inspecting products before they are released from custom.  
 \* Pre export inspection.  
 \* Inspecting products before they are exported like cashew nuts and seafood etc. (2 marks)
- b. \* Submitting application. \* pre product inspection.  
 \* Sample inspection. \* Final inspection by a committee.  
 \* Deciding conditions . \* Providing standard certification. (2 marks)
- v. a. \* Purchasing products for the money they paid.  
 \* Acknowledging relevant authorized persons regarding market misconducts.  
 \* Taking actions to protect environment.  
 \* Concern over society.
- b. **Customer**  
 \* Protecting against market misconducts, increasing consumer education.  
 \* Receiving quality goods at reasonable prices. (1 mark)
- Businessmen**  
 \* Ensuring customer loyalty. \* Advantages through standards.  
 \* High consumer satisfaction. (1 mark)