



JAFFNA HINDU COLLEGE

1st Term Evaluation Exam - 2022

Grade :- 10

Business & Accounting Studies

Time : 3.00 Hours

Name / Index No :

Part I

Mr.Sarangan who lived in Jaffna cultivates the fruits and produces fruit drinks. He conducts fruit drinks selling business nearest new bus stand He can earn more profit and increase his sales due to the drought. Therefore, he expects to convert his business to the incorporated company. The leading leasing company comes forward to issue new machinery at a low rate of interest.

01. What is the need and want satisfied by his business?

1. Fruit juice – Food
2. Food – Health
3. Food – Fruit juice
4. Food – Bus travelers

02. Opportunity for the Sarangan?

1. He has own fruit estate
2. Expected to convert as Incorporated Company
3. Located nearest the bus stand
4. Experience in preparing fruit juice

03. The low rate of interest is included in the

1. Economic environment
2. Technological environment
3. Legal environment
4. Global environment

04. Sarangan business is incorporated as a incorporated company under the law of

1. Shop and office employee Act no.14 of 1954
2. Business name ordinance act No 6 of 1918
3. Company Act no 07 of 2007
4. Consumer affairs authority Act No. 09 of 2003

05. Which is the correct statement regarding to the Sarangan business?

1. It is a commodity manufacturing business
2. It is a service providing business
3. It is a public Sector business
4. It is a nonprofit making business

06. Objective of 1..... is to perform management decision to achieve the objectives of business. While 2..... are the Stakeholders who obtain a quality product at a reasonable price.

Select the correct answer suitable for blank 1 and 2 respectively

- | | |
|---------------------------|-----------------------|
| 1. Competitors, Employees | 3. Customers, Manager |
| 2. Owners, Customers | 4. Manager, Customers |

07. A characteristic, which can be seen in a good

- | | |
|--|---------------------|
| 1. Intangible | 2. Homogeneous |
| 3. Cannot be separated from the provider | 4. Cannot be stored |

08. What is the minimum number of members to start a cooperative society?

- | | | | |
|-------|-------|-------|-------|
| 1. 20 | 2. 02 | 3. 15 | 4. 10 |
|-------|-------|-------|-------|

09. The business organization that can raise capital by issuing shares is

- | | |
|-------------------------|------------------------|
| 1. Partnership | 2. Sole proprietorship |
| 3. Incorporated company | 4. Association |

10. Scale of business organization depends on different criteria. Business Employee less than 25 employees according to the department of census and statistics are considered as

- | | |
|--------------------|------------------------------------|
| 1. Partnership | 2. Small and medium scale business |
| 3. State companies | 4. Large scale business |

11. The act that defines the maximum number of partners in a partnership is

1. Partnership ordinance act of 1890
2. Business Name ordinance act No.06 of 1918
3. Prevention of Fraud ordinance 1840
4. Companies act no 07 of 2007

12. Which is the business organization that is operated with profit motive under the public sector

- | | |
|---------------------------|---------------------------|
| 1. Incorporated Companies | 2. Co-operative societies |
| 3. State Corporations | 4. State Companies |

13. A characteristic that can be seen in incorporated companies but not in sole trader and partnership is

- | | |
|----------------------------------|---------------------------|
| 1. Engaging in economic activity | 2. Unlimited liability |
| 3. Having legal personality | 4. No continued existence |

14. What is the type of business organization that National Livestock Development Board belongs to

- | | | | |
|-----------------------|------------------------|--------------------|-------------------|
| 1. A state Department | 2. A state corporation | 3. A state company | 4. An association |
|-----------------------|------------------------|--------------------|-------------------|

15. While the of the business are interested in the safety of the Investment, the are interested in obtaining a reasonable salary

- | | |
|---------------------------|----------------------|
| 1. Competitors, employees | 2. Owners, suppliers |
| 3. Employees, customers | 4. Owners, employees |

16. The business organization which will be commenced under a general or special act of the parliament is

- | | |
|----------------------|-------------------------|
| 1. State corporation | 2. State company |
| 3. State Department | 4. Co-operative society |

17. The form of organization mostly used in professional business is

- | | |
|---------------------------|---------------------------|
| 1. Sole proprietorships | 2. partnership |
| 3. co-operative societies | 4. Incorporated companies |

18. What is the main aim of the according

1. Fulfilling the legal requirement
2. Calculating the profit of the business
3. Providing the required information for stakeholders in the business
4. To calculate the financial position of the business

Following items are related to question 19 and 20

- | | | | |
|-----------------|-------------------|---------------|-------------|
| A. Debtors | B. creditors | C. Sale | D. Capital |
| E. Furniture | F. Bank loan | G. Investment | H. building |
| I. cash in hand | J. bank overdraft | | |

19. The answer, which includes assets only

- | | | | |
|------------|------------|------------|------------|
| 1. A,B,C,D | 2. D,E,F,I | 3. A,E,H,I | 4. C,D,E,F |
|------------|------------|------------|------------|

20. The answer which includes liabilities only

- | | | | |
|--------|--------|--------|--------|
| 1. BCD | 2. CEF | 3. HIB | 4. BFJ |
|--------|--------|--------|--------|

Part- II

Including question No1 answer four questions

Ravi and Raj started a business named as “Star fruit Drinks” in a rented building close to a market to produce and sell bottled fruit drinks by employing capital equally. They buy fruits from Karan fruits garden for the drink preparation. They obtained a loan of Rs 500000 from people’s bank for the business development.

1. What is the human need satisfied by this business ?
2. What is the type of business organization that this business belongs to ?
3. State a strength and an opportunity of this business?

4. What is the factor of production that fruits used for preparing drinks belongs to?
5. Write four stakeholders of this business
6. State two contributions expected by this business from Karan
7. Ravi states that the business name of “Star fruit Drinks” should be registered. Do you agree with this statement? State a reason for your answer
8. Under which law should this business name be registered if it is required to be registered
9. Write two advantages of registering the business name
10. State two contribution expected by this business from government

Question 02

01.
 - a. What is the human want?
 - b. Write two attributes of a human want?
02. Classify the business based on the nature of the product.
03. Suthan conducts a business to sell shoes that are produced by using processed leather
 - a. What is the human need satisfied by Suthan’s business
 - b. The processed leather used in shoe production in the above case belong to the factor of production called capital. Do you agree with this statement? State reasons for your answer.
4. Write two common objectives of a business.
5. Write two examples for commodity manufacturing business and service providing business separately.

Question – 03

01.
 - a. State the two categories of the business environment
 - b. State four economical factor, which affect the business
02. State two favourable and two unfavourable effect of global environment on domestic businesses
03. Give two examples for threats and weaknesses found in a business
04. Amarapala who has a dairy farm is proposing to manufacture organic fertilizer. Further, the government has shown great awareness to reduce the use of chemical fertilizer to a minimum
write
 - a. An opportunity
 - b. A strength

for Amanapala's proposed manufacturing business

05. Write four external environmental factors of a business

Question - 04

01. State the criterias to classify the business organization

02. Write four special characteristics of co-operative society

03. a. Write two examples for state corporation

b. State the three way in which the partnership agreement can be made

04. The following are the name of the business found in Sri Lanka

1. Sivan stores

2. Foreign employment bureau

3. Sri Lanka Telecom PLC

4. Sri Lanka postal department

a) Name types of business organization of each business mentioned above

b) Which business have a legal personality

05. State four criteria identified when the business organizations are classified based on the scale.

Question – 05

01. a. Write two characteristics of an assets

b. What do you mean by "Equity"

02. a. What kind of transaction is considered in accounting

b. How can "exchange of resources between a business and other parties" be called?

03. Some items of a retail business are given below

Debtors, creditors, bank loan, Drawing, Discount allowed, Discount Received, capital, Machinery, cash balance, Motor vehicle, Salary, Interest Income.

Classify the above items under asset, liability, equity, income, expense

04. Write four elements of According