

03. Following are some details quoted from Annual Report of CBSL.

	Rs.
Agriculture	267,404
Forestry	15,832
Fishery	32,407
Mining and quarrying	60,079
Manufacturing	458,660
Construction	177, 912
Transportation Warehousing and communication	368,653

What is the value of primary production?

1. 315,643 2. 375,722 3. 108, 318 4. 834,382 5. 636,572 (.....)

04. Following are some statements which explains the production situations.

- A Mr. Maithripala maintains a herbaria with local herbal plants as his hobby. He doesn't have any idea of selling them.
- B Mrs. Padma is clever at designing garments and she designs new fashions for her daughter.
- C Asanka produced a computer operated in solar power and obtained a license for that.
- D Anuska is clever at flower decorators and she accepts orders for weddings and other functions.
- E Mr. Daham is a pensioned teacher and he writes narrations as his hobby.

Select the answer which defines above statements correctly.

- 1. A and E are direct production opportunities and B is indirect production opportunity.
- 2. A, B, C and E are direct production and D is indirect production.
- 3. A, C and E are direct production methods and B and D are indirect production methods.
- 4. A, B, C and E are indirect production methods while D is a direct production method.
- 5. All above statements show direct production methods. (.....)

05. Select the answer which shows the features of services compared to the goods.

- 1. Tangible / inseparability / Differentiability / Non storing
- 2. Intangibility / Differentiability / differentiability / non storing
- 3. Intangibility / inseparability / Unity / Inability to store
- 4. Intangibility / inseparability / Differentiability / Inability to store.
- 5. There is not an owner / Tangibility / Differentiability / Inability to store. (.....)

06. Following are some types of taxes.

- A Personal Income Tax.
- B Excess duties
- C Capital Gain Tax
- D Value added tax
- E Custom duties
- F Corporate tax.

What are the indirect tax from above

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

07. Select the answer which includes the consumer rights declared by consumer International.
1. Right to safety, Right to choice , Right to be heard , Consumer Education.
 2. Right to be informed, Right to be compensated, Right to choice , Right to be heard.
 3. Right to fulfill basic needs, Right to be compensated , Consumer education , Right to live in a healthy environment.
 4. Right to fulfill basic needs, Right to choice , Right to consumer education , Right to live in a healthy environment.
 5. Right to safety, Right to fulfill basic needs , Right to consumer education, Right to be heard. (.....)

08. Select the answer which includes the features that should be essentially there with a partnership.
1. Maximum number of partners are 20.
 2. There should be a business activity.
 3. There should be two or more partners.
 4. There is no interest for capital employed.
 5. There should be mutual agency.
1. ABC 2. ACD 3. BCD 4. BCE 5. BDE (.....)

09. Following are some types or business organizations and examples relevant to them.

Type of organizations	Examples
A Sole proprietorships.	1. Venura company Ltd.
B Partnerships	2. Dineth Stores
C Private limited company	3. Livera Public Ltd.
D Non listed companies	4. Sahan and Brothers
E Listed companies.	5. Tharindu (Pvt) Ltd.
1. A-2, B-3, C-1, D-4, E-5	2. A-5,B-2, C-3, D-5,E-4 3. A-2, B-4, C-5, D-1, E-3
4. A-5, B-1, C-4, D-2, E-3	5. A-2, B-3, C-5, D-1, E-4 (.....)

10. 'Private sector, social welfare oriented, not having legal personality' when these features are matched with the organization.
1. Sole proprietorships / partnerships / public limited companies
 2. Partnerships / Corporative / Departments
 3. Partnerships / Cooperatives / Government Corporations
 4. Sole proprietorships / Government Corporations / Public limited companies
 5. Private limited companies / Partnerships / Government Departments (.....)

11. The entrepreneurships which excepts mental satisfaction acceptance, appreciation.
1. Woman entrepreneurship 2. Social entrepreneurship 3. Global entrepreneurship
 4. Internal entrepreneurship 5. Green entrepreneurship (.....)

12. The financial assistance for SMILES project is given by,
1. Asian Development Bank 2. JAICA
 3. Fredrick Newman Foundation. 4. World Bank
 5. International Monastery Fund (.....)

13. Which one of the following can be considered as a licensed Financial Company.
- | | | |
|--|---------------------------|-------------------|
| 1. Asia Securities Company. | 2. J.B Securities Company | 3. SinhaputhaPLC. |
| 4. State Mortgage and Investment Bank. | 5. Sampath Bank | (.....) |

14. Which one of following does not include in a cheque that is not crossed.
- | | | |
|--------------------|--------------------------------|-----------------------------|
| 1. Date | 2. Name of the depositing Bank | 3. Signature of the drawer. |
| 4. Payable amount. | 5. Word 'Pay' | (.....) |

15. Which one of following is not a type of e money,
- | | | | | | |
|----------------|---------------|------------------|--------|---------------|---------|
| 1. Credit Card | 2. Debit Card | 3. Pre-paid Card | 4. ATM | 5. Smart Card | (.....) |
|----------------|---------------|------------------|--------|---------------|---------|

16. Which one of the following is a non-insurable risk.
- | | |
|----------------------------------|---|
| 1. Risk of life | 2. Risk of incurring loss of a business |
| 3. Damage to a business by fire. | 4. Risk of motor vehicles |
| 5. Risk of goods in transit | (.....) |

17. Which one of following does not include in general insurance.
- | | | |
|------------------------|---------------------|-------------------|
| 1. Fire Insurance | 2. Theft Insurance | 3. Life Insurance |
| 4. Liability Insurance | 5. Marine Insurance | (.....) |

18. Following **X** shows the methods of transportation and **Y** shows the advantages and disadvantage of them.

X

Y

- | | |
|----------------------------|--|
| 1. Highway transportation | A Low cost compared to other transportation methods. |
| 2. Railway transportation. | B High transportation cost. |
| 3. Airway transportation | C Taking much time. |
| 4. Waterway transportation | D Ability to select a suitable media. |

When above X and Y are matched correctly the answer is,

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

19. Following X shows some agents and Y shows the services rendered by them.

X

Y

- | | |
|-----------------------|---|
| 1. Commission Agent | A Marking facilities to meet seller and buyer in order to do the transaction. |
| 2. Broker | B He buys goods on his own on behalf of his principal. |
| 3. Factor | C He sells goods on credit basis and collects them. |
| 4. Del creditor agent | D He does all transactions by his name on behalf of his principal. |

When above two columns are matched.

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

20. The document which is issued by an acceptable institution of the relevant country assuring healthiness of an exporting some agricultural products.
- | | | | |
|--------------------------|-------------------------|--------------------------|---------|
| 1. Letter of indemnity | 2. Sanitary certificate | 3. Insurance Certificate | |
| 4. Certificate of Origin | 5. Warf receipts. | | (.....) |

21. Select the wrong statement.
- All managerial skills are equally important for successful management.
 - Conceptual skills, overall vision and understanding are important for a top manager.
 - Human skills should be followed by managers of all levels.
 - Top managers must be proficient in human skills.
 - Technical skills are more important for a first line manager than conceptual and human skills. (.....)

22. The principal which says that one subordinate should report to one supervisor is called.
- | | | | |
|----------------------------|---------------------|-------------------|---------|
| 1. Organization structure. | 2. Span of control | 3. Centralization | |
| 4. Decentralization | 5. Unity of command | | (.....) |

23. Select the answer which defines only operations management.
- | | | | |
|-----------------------|---------------------------|---------------------------|---------|
| A. Pricing | B. Production engineering | C. Human Resource Control | |
| D. Production Control | E. Purchasing Material | F. Sales Promotion | |
| 1. ABC | 2. ABD | 3. ADE | 4. BDE |
| | | | 5. DEF |
| | | | (.....) |

24. The best way to minimize warehousing cost of a business is, යෝග්‍ය ක්‍රමය වන්නේ,
- | | | | |
|--------------------|-----------------|----------------------|---------|
| 1. Quality control | 2. ABC analysis | 3. Stock Controlling | |
| 4. JIT | 5. BEP Analysis | | (.....) |

25. X shows marketing mix in marketers perspective and Y shows marketing mix in consumers perspective.

X	Y
A Product	1. Convenience
B Price	2. Communication
C Place	3. Consumer Solution
D Promotion	4. Cost

When these are matched

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

26. Select the answer with marketing results which is important only for consumers.
- Ability to purchase goods and services easily.
 - The scope of goods and services are wide.
 - Goods and services are highly available in the market.
 - Minimum disparities in income distribution.
 - Wider knowledge on market.
 - Increasing satisfaction of owners and employees.
- | | | | | | |
|--------|--------|--------|--------|--------|---------|
| 1. ACE | 2. ABD | 3. CDF | 4. DEF | 5. ABC | (.....) |
|--------|--------|--------|--------|--------|---------|

27. If the loan capital is less than the sum of ordinary share capital this situation is called
- | | | |
|------------------|-------------------|-------------------------|
| 1. Current ratio | 2. Quick ratio | 3. Return on Investment |
| 4. High Leverage | 5. Lower leverage | (.....) |
28. Select the answer which shows financial decisions only.
- Creditors, share capitals, Money , Payables.
 - Creditors , dividends , Share capital, payables
 - Fixed assets , Money , Stock , debtors.
 - Creditors, stock , Money and payable , expenses.
 - Share capitals, creditors, Dividends, expanding the business. (.....)
29. Sources of finance can be classified under various criteria. Find the direct and internal financial source.
- | | | |
|---------------|-------------------|--------------------|
| 1. Debentures | 2. Issuing shares | 3. Retained profit |
| 4. Bank loan | 5. Leasing | (.....) |
30. Which one of following is not included in job description.
- | | | |
|------------------------|---------------------|------------------|
| 1. Services conditions | 2. Supervisory | 3. Working hours |
| 4. Nature of Job. | 5. Physical fitness | (.....) |

• **Fill in the blanks of following is not included in job description.**

31. (a) The country which is defined by word bank as the country having the features of entrepreneurial cultural most is
- (b) The organization which acts in order to protect the rights of world consumers is called
32. (a) The public groups which affect the business favorably or unfavorably is called
- (b) Brain drain and lack of trained employees breaking of local industries are the influences coming from
33. (a) The interest rate paid when commercial banks and primary dealers invest their extra money in government securities is called and the control over the amount of bank loans..... controlling tool.
- (b) Minimizing the wastage due to the production of a product in accordance with standards is an advantage of protecting from trade malpractices is an advantage of
34. (a) Listed and non listed companies are included in companies and the act that is relevant to the registration of those companies is
- (b) The companies which does not issue shares are
35. (a) The organizations which encourages small and medium scale business is NEDA . This stands for
- (b) SLCSMI standards for

36. (a) Intercom can be introduced as a and media.
 (b) The final stage of communications process is and is the stage prior to that.
37. (a) The controlling method which inspects the quantitative and qualitative variables in management when and where necessary is called.....
 (b) The leadership style which pays attention towards getting work done through employees is called the leadership style which pays attention towards satisfy employee needs and wants is called
38. (a) The layout which brings all required material tools and people to one place is called
 (b) The minimum stock level is called and the amount of there should be ordered minimizing the total cost is called
39. (a) and are the essential features in relationship management.
 (b) and are two parties in holistic management concept.
40. (a) A situation where the prices of shares are increasing is called
 (b) A situation where prices of shares are decreasing is called

• **Write specific answer for the followings.**

41. Name 4 special features in macro environment.
 1. 2.
 3. 4.
42. Name 4 major reasons which affect the direct production to be transferred in to the indirect production.
 1.
 2.
 3.
 4.
43. Name 4 parties which involve in electronic transaction.
 1.
 2.
 3.
 4.

44. Name 4 insurance policies that can be obtained under Hull insurance.
1.
 2.
 3.
 4.
45. Name 4 ways that the transportation becomes important for a businessman.
1.
 2.
 3.
 4.
46. Name 4 factors based for foreign / international trade.
1.
 2.
 3.
 4.
47. There should be proper management in a business organization in order to achieve goals and objectives of a business. Name 4 limitations or challenges faced by manager.
1.
 2.
 3.
 4.
48. Name the steps of product life cycle in the correct order.
1.
 2.
 3.
 4.
49. Name 4 sub markets of money market.
1.
 2.
 3.
 4.
50. Name 4 matters that are included in job specification.
1.
 2.
 3.
 4.



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Second Term Test - Grade 13 - 2020

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Business Studies II

Three Hours

Instructions,

Select minimum 2 questions from each part of part A and part B. Write answers for 5 questions all together.

Part A

- 01. (i) Electronic business is the new trend in the business world.
 - (a) Define "Electronic Business" and explain how it differs from Electronic Commerce". (2 marks)
 - (b) The climate changes in most of countries have been recorded in recent past. The reason behind this is unlimited environment pollution. Explain the steps taken by world to minimize the environment pollution. (2 marks)
 - (ii) (a) Name 4 ways that a person can obtain products. (2 marks)
 - (b) Name 4 features of an electronic transaction, (2 marks)
 - (iii) Name 4 parties which except the achieving of business objectives successfully and name two objectives of each party. (2 marks)
 - (iv) (a) Name 4 difficulties of barter system. (2 marks)
 - (b) Business social responsibility is a broader concept. Various parties are considered in this concept. Name such parties and explain them. (2 marks)
 - (v) (a) Explain the concept of "Product" (2 marks)
 - (b) Name 4 benefits received by a business through fulfilling business social responsibility. (2 marks)
- 02. (i) Name four factors that a food producer should concern in preparing a code of ethics for ensuring the quality of his products. Explain the reasons for concerning those matters. (4 marks)
 - (ii) (a) Business support government to achieve its objectives in various ways. Name such 4 ways. (2 marks)
 - (b) Explain how government fiscal policy affect the business. Explain them using 2 examples. (2 marks)
 - (iii) (a) Consumer protection is needed today more than in the past. Explain 4 reasons affecting it. (2 marks)
 - (b) Operating standards is one of the functions of Sri Lanka Standard Institute. Name 4 ways on how to operate those standards. (2 marks)

- (iv) Nikila and Akila after their O/L examination had decided to collect Mangustine from Kalutara area where their relatives live, and to sell them. They have earned satisfactory amount of money from this business at the end of the season.
- (a) What is the type of business they had carried on? What are the features of that business? (2 marks)
- (b) Akila and Nikila wants to engage in this business continuously as their first step has been successful. They needed this business to have less legal requirements where the registration is not compulsory. They expect your advice in this regard. What is the type of business you can propose to them. Explain the benefits of that business to them. (2 marks)
- (v) Pathum is an owner of a sole proprietorship. He asks you about the advantages of carrying on a franchise rather than his business.
- (b) Explain advantages and disadvantages of carrying on a franchises. (2 marks)
- (b) Classify franchises based on the features of them. (2 marks)
03. (i) (a) Even though the registration of sole proprietorship and partnership is not compulsory, when the business is carried on under another name other than the owners name, they should be registered under business names ordinance. Write the steps of registering them. (2 marks)
- (b) Name 4 differences and 4 similarities in between cooperative businesses and incorporated companies. (2 marks)
- (ii) (a) Show the entrepreneurial process in a chart. (2 marks)
- (b) There should be 3 matters in order to empower the entrepreneurial process. What are they? (2 marks)
- (iii) "Entrepreneur is always a manager but a manager is not always an entrepreneur. Name 4 differences in between them. (2 marks)
- (iv) (a) Name 4 functions of licensed finance companies. (2 marks)
- (b) Name 4 advantages received by a businessman from leasing. (2 marks)
- (v) (a) Name 4 advantages received by a business due to automated banking services. (2 marks)
- (b) Name 4 advantages received by a businessman through leasing. (2 marks)
04. (i) Name and explain the differences in between life assurance and fire insurance. (4 marks)
- (ii) (a) Explain how principle of "proximity causes" paying compensation in the insurance. (2 marks)
- (b) Explain the importance of "feedback" concept to the communication. (2 marks)
- (iii) (a) Give new 4 electronic communications methods and explain them. (2 marks)
- (b) Most of producers use intermediaries to sell their products to the consumer. Give 4 advantages of using intermediaries in trade. (2 marks)
- (iv) (a) Give 4 examples for non-tariff barriers which limit free trade. (2 marks)
- (b) Name institutes from where exports license should be obtained in exporting products.
1. Tea
 2. Vegetables, spices, beetles
 3. Coconut decicut products from coconut.
 4. Gems, Jewelries (2 marks)
- (v) Trade organizations, Trade agreements, International organizations, affect foreign trade in various ways. Explain them with examples. (2 marks)

Part II

05. (i) (a) There are many managers to manage the activities of various organizations but they don't have a specific title. These managers are called directors, executive officers, commissioners etc. (2 marks)
- (b) According to Henry Mintzberg, roles of a manager are classified under 3 major heading. Write those heading and write one function for each heading. (2 marks)
- (ii) (a) Management is achieving expected goals by doing the right thing right way. Name two steps that a manager can take in order to increase the efficiency (2 marks)
- (b) Define ' Plan' and describe how plan differs from planning. (2 marks)
- (iii) (a) The success of an organization depends on leading. Explain this statement. (2 marks)
- (b) Explain the decentralization and give advantages of decentralization? (2 marks)
- (iv) What is a 'Layout plan". What are the advantages of layout planning? (4 marks)
- (v) (a) Explain following concepts. Quality Control , Quality Assurance. (2 marks)
- (b) What are the basic functions of Operations Management and sub functions of them. (2 marks)
06. (i) Maintenance can be shown as an important factor in operations management. Explain this (4 marks)
- (ii) (a) Name 4 benefits that can be received by an organization when they continuously engage in maintenance. (2 marks)
- (b) Name the stock controlling method suitable for an institute which uses perishable raw materials. Name two advantages of that method and two disadvantages of it. (2 marks)
- (iii) (a) Explain production and production management in short. (2 marks)
- (b) Following are some costs relating to a manufacturing organization. Classify them under fixed and variable costs.
- | | | |
|--------------------------|-----------------------------------|-----------------------|
| 1. Direct material cost. | 2. wages | 3. Direct labour cost |
| 4. Rent | 5. Salary for permanent employees | |
| 6. Sales commission | 7. Building depreciation. | (2 marks) |
- (iv) (a) Give 4 differences in between marketing and selling. (2 marks)
- (b) The basic approaches of a business to achieve its marketing objectives are called marketing concepts. Name 4 marketing concepts. (2 marks)
- (v) (a) Explain criterion which are used to segment the market. (2 marks)
- (b) Every market segment does not become effective. Explain the requirements for an effective market segmentation. (2 marks)
07. (i) The success of marketing is determined when the product has been well positioned in the market.
- (a) What is market positioning? (2 marks)
- (b) Name two ways of positioning in the market. (2 marks)
- (ii) Explain what is meant by 'product mix' Explain the length, width of product mix using examples. (2 marks)
- (iii) (a) Explain the levels of products. (2 marks)
- (b) Name 4 promotion tools in marketing mix. (2 marks)
- (iv) (a) Define finance management. (2 marks)
- (b) What are the basic factors of finance management. (2 marks)

(v) The main responsibilities of a finance manager are to obtain funds effectively and utilizing them effectively.

(a) Name 4 functions of a finance manager. (2 marks)

(b) Give two examples for each internal and external sources of funds which obtains money for the business. (2 marks)

08. (i) (a) Explain what is meant by action ratio/operation ratio. (2 marks)

(b) Following are some details of a limited company.

2019.1.1 Stock Rs. 80000

2019 Purchases Rs. 60000

2019.12.31 Stock Rs. 30000

Calculate the stock turnover ratio of the company. (2 marks)

(ii) (a) What are the three ways that a company can be registered under share market. (2 marks)

(b) What are the Boards used in share market to list the companies. Explain one of them. (2 marks)

(iii) Following are details of Kalana and Mithuru Companies.

	Kalana	Mithuru
	Rs.	Rs.
Capital Investment	300,000	120,000
Sales	600,000	360,000
Net Profit	60,000	40,000

Calculate the profitability ratios of above two companies and find the company which is more successful. (4 marks)

(iv) (a) Define Human Resources Planning. (2 marks)

(b) What are the steps of HR Planning. (2 marks)

(v) Name and explain the steps of employee recruitment process. (4 marks)