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8. From the following types of business, which one can be considered by you as an example for the business organization owned by the private sector, having unlimited liability, with no legality and cannot be started by a single person?

- (1) Ratna Stores
- (2) Jessi and Diana Company
- (3) Multi-Purpose Co-operative Society, Pavatkulam
- (4) Rishi Company Limited
- (5) Luxshmi Narayanan Finance Company (PLC) Limited (.....)

9. Select the most suitable statement regarding the concept of entrepreneurship, from the following statements.

- (1) Bala, finds minor errors in outputs and carries out propaganda about them.
- (2) Raj, who is interested in acquiring knowledge in new things, does not have enough experience to make his interest a valuable one.
- (3) Theepan, observes markets very deeply and appreciates good things and points out the mistakes as well.
- (4) Kesan, absorbs new things and designs them and delivers them to the suit the students.
- (5) Raja, has engages in all sectors, but has not captured the market in a remarkable way. (.....)

10. Arnold draws and issues a cheque in the name of Adsayan, for the amount payable to Adsayan, makes a crossing on that cheque with the wording 'Not negotiable' for the purpose of safety and, Adsayan transfers this cheque to Agash with endorsement, for the money Adsayan has to pay to Agash. Agash submits the cheque at the bank counter of the bank mentioning on the face of the cheque to encash. Which of the following can be considered as a wrong activity that is relevant to the above transaction of the cheque?

- (1) Arnold issuing a cheque in the name of Adsayan.
- (2) The bearer Adsayan making a crossing on the cheque.
- (3) Adsayan transferring the crossed cheque with the term 'Not negotiable' to Agash with an endorsement.
- (4) Giving the cheque written in the name of Adsayan, to Agash.
- (5) Agash submitting the cheque to the bank counter of the bank mentioning on the face of the cheque to encash. (.....)

11. Some risks that can occur in a manufacturing business is shown in column 'X' and the insurance policies that can be obtained against those risks is shown in column 'Y'

X	Y
A - Due to the smoke coming out from the factory's chimney, people in the surrounding places are suffering from respiratory diseases.	1 - Full Insurance
B - Employees meet with accidents in the factory.	2 - Product Liability Insurance
C - There is a fuel station near by the factory.	3 - General Liability Insurance
D - Taking the finished goods to the harbour with the help of a motor vehicle.	4 - Fire Insurance
E - A consumer society is being aware regarding the effects by the products to the consumer.	5 - Employees Liability Insurance

Select the suitable combination between 'X' and 'Y'

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

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12. Two statements regarding communication are as follows.

Statement A: - Verbal communication method helps a lot to present a problem in greater detail and discuss.

Statement B: - When communicating information in a written form, meanings do not change by the words that are used.

Among the above two statements,

- (1) Statement 'A' is correct and Statement 'B' is wrong.
- (2) Statement 'A' is wrong and Statement 'B' is correct.
- (3) Both statements 'A' and 'B' are correct.
- (4) Both statements 'A' and 'B' are wrong.
- (5) Both statements emphasize the same meaning.

(.....)

13. Which of the following cannot be considered as an advantage to businessman, during the transportation of goods by using the Global Positioning System – GPS?

- (1) Ability to know the short distances.
- (2) Ability to know the distance to travel.
- (3) Ability to decide the cost.
- (4) Ability to know the obstacles on the way.
- (5) Ability to know, where the vehicle is at present.

(.....)

14. Which of the following can be considered as an important function for the activities such as market research, whether to produce or purchase, how to minimize the cost and continuously maintain the supply chain?

- (1) Communication
- (2) Warehousing
- (3) Transportation and Logistic activities
- (4) Production and Standardization
- (5) Selling and Promotion

(.....)

15. Some of the documents that are used in foreign trade are shown in column 'X' and the reasons for using them are shown in column 'Y'

X	Y
A – Certificate of Origin	1 – To confirm that the goods are undertaken by the customs
B – Letter of Indemnity	2 – To confirm the ownership of the goods at the harbour
C – Wharfinger's Receipt	3 – To confirm the suitability of the agro products for consumption
D – Health Certificate	4 – To obtain tax concessions
E – Bill of Lading	5 – To get a pure bill of lading instead of an impure bill of lading

Select the suitable combination between 'X' and 'Y'

- (1) A – 1 B – 4 C – 2 D – 5 E – 3
- (2) A – 2 B – 1 C – 4 D – 3 E – 5
- (3) A – 3 B – 2 C – 5 D – 1 E – 4
- (4) A – 4 B – 5 C – 1 D – 3 E – 2
- (5) A – 5 B – 3 C – 4 D – 2 E – 1

(.....)

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16. When addressing the students who sat the G.C.E.(A/L) Examination recently, a Principal made the following statement.

“If every one of you had selected the correct stream for the advanced level, you could have achieved the target goal of a high standard which you had planned within the specific time duration.”

What do you think is the management concept expressed by the Principal through the above statement?

- (1) Performance (2) Efficiency (3) Effectiveness
(4) Productivity (5) Profitability (.....)

17. In the following table column ‘X’ shows the steps of decision-making process and column ‘Y’ shows the activities related to the present increasement of fuel crisis, which are relevant to the steps of decision-making process.

‘X’	‘Y’
A – Identifying the problems	1 – Issuing of Quick Response (QR) code to vehicle owners very quickly.
B – Identifying of alternative solutions	2 – Deciding to carry out the fuel supply through Quick Response (QR) code.
C – Evaluating alternative solutions	3 – Analyzing regarding the fuel supply, on a priority basis in the top-level executive committee meeting.
D – Select the best alternative solution	4 – Increasing queues of vehicles on the roads to get fuel.
E – Implement the decision	5 – Recommending the suggestions received to the top-level executive committee.

Select the suitable combination between ‘X’ and ‘Y’

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

18. A manager of a company, expresses the following point, regarding quality control, during the discussion with the middle level managers of his company.

“It is better to prevent problems than to look for them”, What do you think is the technique of quality control, that was expressed by the above manager?

- (2) Quality Assurance (2) Quality Circle (3) Quality Standard
(4) Zero Defect (5) Statistical Processing Control (.....)

19. Some characteristics of production methods in operational management are given below.

- A – The need to change the production process frequently.
B – Work in progress cannot be seen at the end of the day.
C – Being able to maintain the highest level of consumer satisfaction.
D – Products are featured on a few- to- few basis.
E – Production can be controlled only by an individual.
F – Unit cost being very high.

From the above, which of the following group includes only the characteristics of flow production?

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

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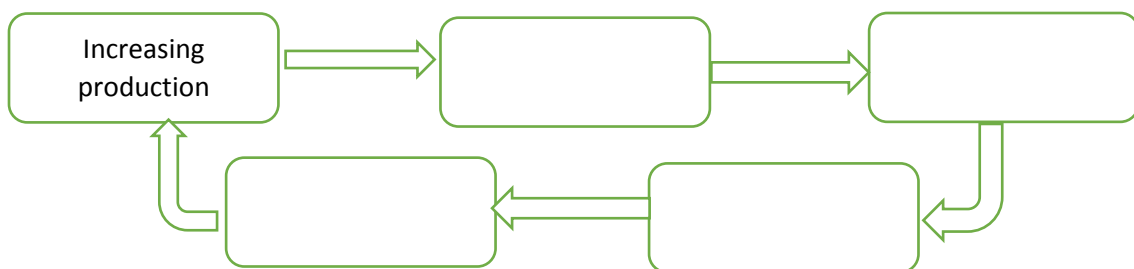
24. Select the most correct statement regarding the Public Listed Company, from the following statements.
- (1) No changes will occur in the stated capital of a company by the right issue of shares.
 - (2) A person who has purchased and owns a share warrant, can obtain share dividends.
 - (3) The number of shareholders of a company will increase by the right issue of shares.
 - (4) Increase in the market price of shares will increase the stated capital of the company
 - (5) Number of shareholders will not increase during the capitalization of reserves.
- (.....)
25. Which of the following can be considered as a method to handle the problem of excess employees in an organization?
- (1) Expansion of production activities and branches of the company.
 - (2) Using outsourcing.
 - (3) Providing over time allowances and performing over time work.
 - (4) Provision of additional training for new jobs.
 - (5) Encouraging self-retirement of employees.
- (.....)
26. Which of the following functions of the human resource management, could be considered as a way to minimize the disagreements among employees?
- (1) Disciplinary management.
 - (2) Employee welfare administration.
 - (3) Employees' movements.
 - (4) Job inductions.
 - (5) Handling grievances.
- (.....)
27. "Have to implement the projects, which are organization centered and of long term instead of individual employees' centered, in order to fulfill the future employment requirements. Though this would cost the management more, it is essential to increase the conceptual skill." Which of the following human resource management functions do you think, should be implemented to achieve the suggestion mentioned in the above statement?
- (1) Conducting training activities
 - (2) Conducting development activities
 - (3) Conducting employee performance evaluation activities
 - (4) Conducting employee motivation activities
 - (5) Empowering trade unions
- (.....)
28. Which of the following cannot be considered as a safety method used by businesses to protect the information system?
- | | | |
|-----------------|--------------------------|----------------|
| (1) Secret code | (2) Firewall Backup copy | (3) Microphone |
| (4) Antivirus | (5) | (.....) |
29. The correct answer for the functions of data processing is,
- (1) classifying / sorting / electronic machine / summarizing
 - (2) sorting / calculating / summarizing / data processing
 - (3) classifying / sorting / calculating / summarizing
 - (4) summarizing / sorting / calculating / data processing
 - (5) calculating / classifying / sorting / summarizing
- (.....)

- 38. a) While is an instrument of the debt capital of a company that earns a fixed rate of interest and is an instrument that owns a fixed rate of share dividend.
- b) Financial market can be classified into two types such as and on the basis of the maturity period of financial instruments.
- 39. a) Explaining the work for the purpose of appointment as an assistant accountant in an organization is known as and describing the qualifications that should be had by the appointed accountant is known as
- b) In human resource management, the process of attracting suitable applicants is known as and the process of identifying the suitable applicants among the received applications is known as
- 40. a) While the illuminated street signals at the junction of the main roads are considered as goods, the central processing unit of a computer system is known as goods.
- b) The expenditures prior to the commencement of productions are called costs and earnings after deducting from the operating profit is called profit after tax.

• **Answer questions No. 41 – 50, writing the suitable answers in the space provided.**

- 41. "A business can be classified in several ways." Mention four different criteria that can be used for such classification.
 - (1)
 - (2)
 - (3)
 - (4)

42. The interconnection between the entrepreneurship and economic development can be shown by the following diagram. Fill in the blank cages.



- 43. Give four advantages to customers through the automated banking service.
 - (1)
 - (2)
 - (3)
 - (4)

44. Mention the appropriate types of agents, based on each of the following statements.

Statements	Agents
(1) The agent who sells goods on credit basis and responsible for the collection of debt.	
(2) The agent is the one who purchases and sells on his personal desire on behalf of his master for his master's benefit.	
(3) The agent who buys and sells goods under his personal name on behalf of his head.	
(4) The person who connects the buyer and the seller according to the transaction.	

45. Complete the blanks in the following table, which shows the interrelationship between the management functions and the managerial skills of Robert L. Katz.

Skills \ Managerial function	Conceptual Skills	Human Skills	Technological Skills
Planning	To think about the future	1).....	For research activities
Organizing	2).....	Working together	Supervision
Directing / Leading	3).....	Motivation	Communication
Controlling	To ensure the achievement of goals	To evaluate the activities	4).....

46. Mention the suitable level of product of a pen, with the help of the statements of five students, which are related to the pen.

Statements	Level of product
A – Ink tube, Cap, Comfortable to hold.	1.....
B – A soft fragrance emerges while writing.	2.....
C – I bought a pen to write the exam.	3.....
D – Writes clearly and has a long-lasting use.	4.....

47. The two statements regarding the financial analysis are given below.

Statement A – Indicates the interconnection between the equity capital and the debt capital of an organization.

Statement B – Indicates the ability to face short-term financial responsibilities.

From the above statements, mention the types of financial ratios for them and give an example each, for each of the ratios included.

Statement	Financial Ratio	Example
A
B

48. Mention four criteria that can be used to evaluate the overall success of all the human resource management functions of an organization.

- (1)
- (2)
- (3)
- (4)

49. Give an example each for the following methods of Transaction Processing System (TPS)

- (1) Production unit
-
- (2) Marketing unit
-
- (3) Financial unit
-
- (4) Human Resource unit
-

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50. Mention the names of the following modern equipment, are used in a warehouse to move the goods.

(1)



.....

(2)



.....

(3)



.....

(4)



.....

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தொண்டைமானாறு வெளிக்கள நிலையம் நடாத்தும்
ஆறாம் தவணைப் பரீட்சை - 2022
Conducted by Field Work Centre, Thondaimanaru
6th Term Examination - 2022

வணிகக்கல்வி - II
Business Studies - II

Three Hours and
ten minutes

33

E

II

Gr. 13 (2022)

Instructions :-

Answer any five questions selecting at least two questions from each part.

Part I

Use additional reading time to go through the question paper, select the questions you will answer and decide which of them you will priorities.

Part I

01. Abishan and Johnsharon jointly started "Northern Agro Product Co.", as a solution for the prevailing food shortage and the increase of prices, under the motto "Your food is from your home", for the purpose of encouraging the home gardening with the available resources. They sell seeds, fertilizers, pesticides and equipment at low price and provides continuous monitoring, advice and market opportunities as after sale services. There are more than fifty employees in this company and their tasks are carried out regional wise. But anyway, continuous power cuts and shortages of pesticides, fertilizers and fuel have adverse effects in this venture.

- 1) (a) Indicate any four characteristics that can be found in the "Northern Agro Product Co." to consider it as a business.
 (b) Classify the outputs of the company on the basis of tangibility, and give examples for them.
- 2) Give four social and economic importance obtained by the region through the establishment of the above company.
- 3) (a) Mention the name of the act that the above company has to be registered under, and give the reason for the registration.
 (b) Give two opportunities and two threats in the above business.
- 4) Mention four forces that can be influence the above company, and give a reason each for the influencing forces on the above company.
- 5) "Tasks are assigned to employees" Mention the business concept you consider through this, and mention two advantages each for the business and the employees, through this concept.

(5 × 4 = 20 Marks)

02. Sabeen, who is qualified Engineering Technology, felt that due to the prevailing continuous power disruptions, there is a high demand across the country regarding the use of solar systems, that can be store and use solar energy, and plans to start a business installing solar panels in homes and offices.

- 1) (a) Give an example each from what you have learned of the following business ethics that can be followed by the above business.
 - Ethics regarding production
 - Ethics regarding marketing
 - Ethics regarding financial management
 - Ethics regarding human resource management
- (b) Mention four unethical business practices in your area, which was carried out during the current economic and financial crisis and scarcity of goods.
- 2) (a) "It is very important to maintain a close relationship between the government and the businesses." Do you agree with this statement? Explain.
- (b) "Credit control" is one of the most important instrument of the government monetary policy. Give two examples of quantitative credit control used in this.
- 3) (a) "A partnership business has some advantages, as well as some limitations." Give four advantages of a partnership business.
- (b) Mention two main impacts of a partnership agreement on the existence of a partnership business.
- 4) "Human needs and wants are fulfilled by the activities of an entrepreneurship and a business."
 - (a) Explain the differences between an entrepreneurship and a business.
 - (b) What connection do you see an entrepreneurship and a business? Explain.
- 5) "Entrepreneurship is important to the success of small and medium scale businesses." Give four examples, how entrepreneurship can contribute to the success of small and medium scale business.

(5 × 4 = 20 Marks)

03. 1) (a) Mention four government institutions that function for the development of small and medium scale business in Sri Lanka.
- (b) Mention four services provided by Investment Managers, as one of the intermediaries selling financial instruments.
- 2) (a) Give two similarities and two differences that you can see between Licensed Commercial Banks and Licensed Specialized Banks.
 - (b) "At present, Licensed Commercial Banks provide several customer related agency services due to the competition." Mention four such services.
 - 3) (a) What is meant by "Endorsement" in a cheque?
 - (b) Give two instances where cheques are endorsed?
 - 4) (a) Explain, what is meant by "Re-Insurance"?
 - (b) Give two advantages each for insurance companies and insurer through re-insurance.
 - 5) (a) Verbal communication sometimes fails. Give four reasons for such failure.
 - (b) Give four importances of communication for the success of a business.

(5 × 4 = 20 Marks)

04. 1) Mention the four elements of the communication process, except person and explain them.
- 2) (a) Mention the four parties, who are related to the transaction through electronic money.
(b) Write two advantages and two disadvantages of using electronic cadrs that are provided by Commercial Banks.
- 3) 'Intermediaries are the parties who are involved in the process of distributing products from the manufacturer to the consumer.
(a) Mention four parties who act as intermediaries in local trade.
(b) Give two advantages and two disadvantages of using intermediaries in trade.
- 4) "Bill of lading is an important document among the documents that are used in foreign trade."
(a) Mention the two types of bill of lading that are used by the shipping companies, and briefly explain them.
(b) Give four objectives of using the bill of lading.
- 5) International trade organizations and trade agreements have various impacts on foreign trade. According to this, give four positive effects on a country.

(5 × 4 = 20 Marks)



Part II

05. 1) In the current economic crisis, the owner of a soft-drink manufacturing company realized that his raw materials and finished goods are getting damaged due to the government power cuts for a few hours every day, is thinking of buying an automatic generator or getting power through solar panels as a solution.
(a) Explain what is meant by "Problem", and state what problems the owner is facing in the above business.
(b) What are the factors that a decision should have, if a decision is to be successfully implemented as a solution to the above mentioned problem?
- 2) (a) Mention four competencies that are included in human skills, which are equally required of managers at all levels of an organization.
(b) "A manager of a business, centralizes the authority and carries out his managerial tasks." Give four challenges that the manager could face by this.
- 3) (a) Mention the main steps of the controlling process in management.
(b) Give four importance of the controlling process.
- 4) "Stock control is one of the main techniques un the production control."
(a) Give four importance of stock control.
(b) Mention four advantages of the Just In Time (JIT) method.
- 5) Give four reasons for the importance of Research and Development for business organizations.

(5 × 4 = 20 Marks)

06. 1)(a) Mention the two components of total cost related to the stock in operation management, and give two examples each for the components.

(b) Calculate the Economic Order Quantity (EOQ) for product "X", by using the following information.

Annual consumption	12 000 units
Unit cost	Rs.100
Ordering cost per order	Rs.300
Handling cost per unit for a year	Rs.5

2) Market is a combination of potential buyers who have the willingness and ability to be satisfied by an exchange process with equal needs and wants.

(a) Give any four types of markets functioning in today's modern exchange economy.

(b) Give four importance of marketing for businessmen.

3)"Various strategies are used by the marketers in the life cycle of a product."

(a) Mention four strategic methods which can be used at the introductory stage of products.

(b)Some products, without going through all the stages of life cycle, leave the market going through only one or two stages. Give four factors that influence the exit of products from the market.

4) "Price is a unique variable among the marketing mix variables."

(a) Define the term "Price" and also give a reason why this variable is unique?

(b) Give any four objectives for pricing.

5) "The basic objective of financial management can be achieved through continuously fulfilling the interrelated functions of financial management."

Mention the functions of financial management in order to reinforce the above statement.

(5 × 4 = 20 Marks)

07. 1) (a) "A public Limited Company is more interested in collecting debt capital than equity capital." Present four reasons for this.

(b)"There are advantages as well as disadvantages in internal financing."

Mention two advantages and two disadvantages of internal financing.

2) (a) Mention four factors, that influence the price increase of a company's shares.

(b) Mention four reasons for the importance of share indices to an investor.

3) "The success of an organization depends on, maintain a proper connection between liquidity and profitability." Explain the above statement by using a Commercial Bank as an example.

4) (a) Explain what is meant by 'Job Design' in human resource management.

(b)Separately explain the concepts such as Tasks, Duties and Responsibilities that are considered in job designing.

5) A company which is working towards expanding its production to meet the increasing demand, recently faced the problem of shortage of employees.

Present four immediate alternative solutions that can be adopted to avoid this problem.

(5 × 4 = 20 Marks)

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08. 1) (a) What is meant by “Collective Agreement” regarding industrial disputes in human resource management.
 (b) Give two advantages each to the employer and employee through a collective agreement.
- 2) Show the differences between data and information under the following headings.
- Information process
 - Decision making
 - Value
 - Data organizing
- 3) Some important information of a business and the three main criteria that are used to classify them are shown in the following table, which is related to the business information system. Complete the table by filling the blanks with suitable components of the classification of the information system.
 (Write your answers in your answer script by mentioning the number.)

Business Information	According to level of usage	According to the usage	According to the managerial functions
a) Long term financing	1).....	Executive Support System	Financial Management
b) Introducing a new product	Operational Level	2).....	3).....
c) An employee who will be transferred in the following year	4).....	Office Automated System	5).....
d) Economic Order Quantity	6).....	Decision Support System	Operational Management
e) Research related to attractive packaging	7).....	Knowledge Work System	8).....

- 4) Mention how the cost that is expected to occur for goods and services expecting to be produce within a specific period of time, is called. Classifies all its types.
- 5) An existing business may need to prepare a business plan in some cases. Mention such situations.

(5 × 4 = 20 Marks)