



மாகாணக் கல்வித் திணைக்களம் வடக்கு மாகாணம்



Provincial Department Education, Northern Province

First Term Examination - 2024

Grade 12 (2025)

Business Studies

Time: 3 Hours &
10 Min.

Instructions:

- Answer *all* the questions *on this question paper itself*.
- Write your **Index Number** clearly in the space provided above.
- Select the correct answers for the questions No. 1 – 15 and write its number on the dotted lines given.
- Write short answers for the questions No. 16 – 25 on the dotted lines given.
- Each question carries **two** marks.

Index Number:

For examiner's use only

Q.No.	Marks
1 – 15	
16 – 25	
TOTAL	

01. Which of the following is relevant for human needs only?

- (1) limited, common, can be created by businesses
- (2) limited, common, cannot be changed by social changes
- (3) can be created by businesses, common, diversified
- (4) specific, creates in the mind, cannot be created by businesses
- (5) limited, diversified, specific

(.....)

02. The correct statement related to gradual development of business is,

- (1) use of common medium created barter system.
- (2) personal specialization occurred due to surplus production.
- (3) barter system generated indirect production.
- (4) information era created physical money usage.
- (5) industrial revolution created e-business activities.

(.....)

03. The following table shows the criteria for business classification and business classifications.

Criteria for classification	Business classification
1. Nature of production	A - Agriculture, Industrial, Services
2. Production sector	B - Small, Medium, Large
3. Ownership	C - Primary, secondary, Tertiary
4. Objective	D - Profit motive, not-for-profit
5. Size	E - Private, Public

Select the correct answer which contains the correct order of business classification according to the order of criteria for classification.

(1) A, C, E, D, B

(2) B, A, E, C, D

(3) C, A, E, D, B

(4) A, B, C, D, E

(5) C, A, D, E, B

(.....)

04. The business functions and examples are given in the following table.

Business functions	Examples
1. Administration	A - Determining the price
2. Production	B - Quality control
3. Marketing	C - preparing employees' files
4. Information management	D - Paying salary
5. Finance	E - Updating information

Select the answer which contains the correct order of examples of business functions according to the order of business functions.

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

05. The reasons for the interests of stakeholders on the business are given below.

- A - Business development
B - To get a higher salary
C - To evaluate success and failure of management decisions
D - To get job security
E - To job promotion
F - To increase employment opportunity
G - To get bonus payment

The reasons for the interests of the employees only are,

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

06. Select the correct answer considering the following two statements.

Statement A: The factor which can affect the business more than the customers is competitors.

Statement B: Customers are the most important factor among the other factors for the business growth.

- (1) Only A is correct.
(2) Only B is correct.
(3) A and B are incorrect.
(4) A and B are correct and A is described further through B.
(5) A and B are correct and A is not described further through B. (.....)

07. A - Owner B - Competitors C - Suppliers
D - Organizational structure E - Government F - Employees

The answer which consists of the internal environment forces only is,

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

08. Which of the following is related to task environment?

- (1) Good experience of employees (2) Entry of new competitors in the market
(3) Destroying of natural resources (4) individual values
(5) Creation of food security acts (.....)

09. Select the answer which contains the economic environment forces only.

- (1) inflation, price level, exchange rate, savings
- (2) education level, inflation, business combination, investment
- (3) education level, new invention, culture, beliefs
- (4) exchange rate, climate, savings, inflation
- (5) inflation, gender ratio, globalization, age structure (.....)

10. The main parties to whom a business should fulfill social responsibilities and the related social responsibilities are given below.

Parties	Social responsibilities
1. Society	A - Maintaining relevant working environment
2. Customers	B - Generating employment opportunities
3. Owner	C - Providing quality goods and services
4. Employees	D - Providing economic benefits

Select the answer which consists of the correct order of social responsibilities according to the order of the parties.

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

11. 'Sustainability' means,

- (1) long term view on environment, culture and political forces
- (2) long term view on environment, economic social forces
- (3) long term view on environment, economic and cultural forces
- (4) short term view on environment, economic and social forces
- (5) short term view on environment, political and social forces (.....)

12. The ability of an economy to endure nationally and internationally without a crisis is,

- (1) economic growth and development
- (2) full employment
- (3) fair income distribution
- (4) economic stability
- (5) gross domestic production (.....)

13. The policy related to government's income and expenditure is,

- (1) monetary policy
- (2) international trade policy
- (3) fiscal policy
- (4) industrial policy
- (5) open economic policy (.....)

14. Mala observed that some information given in label of milk powder when she purchased in from a retail shop. The consumer right violated here is,

- (1) right to be informed
- (2) right to be heard
- (3) right to redress
- (4) right to choose
- (5) right to live in a healthy environment (.....)

15. The prime institution which functions in Sri Lanka for consumer protection is,

- (1) Sri Lanka Standard Institution
- (2) Consumer Affairs Authority
- (3) Central Environment Authority
- (4) District Secretariat
- (5) Office of Regional Medical Officer (.....)

- Write the relevant **word / words** for the blanks in the questions 16 – 20.

16. (a) Business includes and
 (b) Commerce consists of and
17. (a) Carrying out all business activities through is called as electronic
 (b) Anything offered to to fulfill human needs and wants is called as
18. (a) Business ethics means to act favourably to all the interested parties acknowledging the and
 (b) Improving human benefits by reducing use of resources and increasing the standard of living of is called as
19. (a) level is maintained constantly to control inflation through internal price stability. Further, is maintained constantly through external price stability.
 (b) and standards are issued by International Organization for Standardization for Quality Management System and Environment Management System respectively.
20. (a) Advance Personal Income Tax (APIT) is charged by It is operated by government.
 (b) A manufacturing business should not adulterate in the production process is a ethics and fake warranties should not be given by the businesses in the advertisements is a ethics.

- Write **short** answers for the questions 21 – 25.

21. State main steps of gradual development of business.

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

22. Write four strengths of a business in the case of employees.

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

23. Write the relevant waste management concepts for the following activities.

Activities	Waste management concepts
1. Not using plastic and polythene
2. A fisheries industry grows fishes.
3. Producing fertilizers from animal manure
4. Using silver boxes for food packaging.

24. Write any two capital expenses and any two current expenses which can be made by Sri Lankan government.

Capital expenses:

Current expenses:

- (1) (1)
 (2) (2)

25. Write the objectives of monetary policy and fiscal policy.

1. Fiscal policy:
 2. Monetary policy:

Part II

Instructions:

- Answer **five** questions, selecting at least **two** questions from each part.

Section A

01. Ravi and Karan are the two youths in a village and they studied up to advanced level. They who were expecting for a job, observed that the children in their village faced the problems in going to school which was in a remote area. They purchased a small used bus to engage in the transportation service, considering it as a business opportunity. As Karan had vehicle repairing ability and Ravi had vehicle driving ability, it was convenient for them to conduct the business. Not only school students, some government officers too got benefits from their service.

- (i) Write the human need and want fulfilled by the above business. (02 marks)
- (ii) State **four** stakeholders of the above business. (02 marks)
- (iii) Provide **one** internal environment force and **one** external environment force for the above business. (02 marks)
- (iv) Explain how Ravi and Karan influenced the success of their business. (02 marks)
- (v) Describe how the above business could contribute for environment protection. (02 marks)

(Total 10 marks)

02. (i) Athmi purchased a land required to conduct a business which produces roof tiles and obtained clay and employees required for her business from the factory environment. She purchased the machineries from a business in the city.

Write the relevant factors of production for the underlined words in the above case. (02 marks)

(ii) Malaravan conducts a motor vehicle repairing business and his brother is conducting an apparel industry. They consider to create a code of ethics.

(a) Provide your comment regarding creating a common code of ethics for the above two businesses. (01 mark)

(b) Write **two** reasons for the importance of following business ethics by the above businesses. (01 mark)

(iii) (a) Describe **two** methods of contributing sustainable development by a business. (01 mark)

(b) State **two** ways which can be used by businesses for waste management. (01 mark)

(iv) Describe **two** adverse situations which can be faced by consumers in the absence of government in an economy. (02 marks)

(v) State **four** parties to whom a business should fulfill their social responsibilities. (02 marks)

(Total 10 marks)

03. (i) Assume that the government has decided to increase the import tax for imported fruits. Write **two** advantages and **two** disadvantages of it for consumers. (02 marks)

(ii) Decrease in government's income is also a reason for prevailing economic crisis occurred in Sri Lanka.

Write any **two** activities made by government to increase its income. (02 marks)

(iii) State the activities that can be taken by consumers to face present increase in cost of living. (02 marks)

(iv) Even though business activities are made to fulfill human needs and wants, some adverse effects occur due to those business activities. State **four** such adverse effects. (02 marks)

(v) State **two** activities which can create waste. (02 marks)

(Total 10 marks)

Section B

04. (i) Define separately 'strength' and 'opportunity' of a business. (02 marks)
- (ii) (a) What do you mean by 'organizational culture'? (01 mark)
- (b) How can an organizational culture be a strength for a business? (01 mark)
- (iii) Describe how task environment forces influence the business activities through macro environment forces. (02 marks)
- (iv) Explain the interrelationship between macro environment forces. (02 marks)
- (v) What do you mean by social responsibilities? (02 marks)
- (Total 10 marks)**
05. (i) Write **four** objectives which a business could achieve. (02 marks)
- (ii) State **two** types of economic stability as one of economic aims of government. (02 marks)
- (iii) Provide **four** contributions of business to achieve economic aims of government. (02 marks)
- (iv) Describe **four** importance for the increase of consumer protection. (02 marks)
- (v) State **four** advantages of consumer protection for consumers. (02 marks)
- (Total 10 marks)**
06. (i) Name the role of government which can influence on the business based on the following.
- (a) Establishing the business premises equal to private sector and renting out them
- (b) Providing electricity facilities
- (c) Purchasing paddy
- (d) Implementing monetary policy fiscal policy (02 marks)
- (ii) Classify the following businesses into agricultural, industrial and services.
- (a) Jeevan Pharmacy (b) Agalya Chicken Farm
- (c) Silva Building Contractors (d) Vanathi Printers
- (e) Jemini Rest House (f) Poonakary Cashew Farm (02 marks)
- (iii) What are the methods of implementing standards by Sri Lanka Standard Institution? (02 marks)
- (iv) Write **four** consumer responsibilities. (02 marks)
- (v) What are the reasons for the expansion of electronic business at present. (02 marks)
- (Total 10 marks)**
