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மேல் மாகாணக் கல்வித் திணைக்களம்
Department of Education - Western Province

තෙවන වාර පරීක්ෂණය
மூன்றாம் தவணைப் பரீட்சை - 2026
Third Term Test

ශ්‍රේණිය / தரம் / Grade } **13**	විෂයය / பாடம் / Subject } **Business Studies**	පත්‍රය / வினாத்தாள் / Paper } **I**	පැය / மணித்தியாலம் / Hours } **2**

Instructions:

- **Answer all the questions on this question paper itself.**
- **Select the correct answers for questions from 1 – 30 and write its number on the dotted line given.**
- **Write short answers for questions from 31 – 50 on the dotted line given.**

PAPER 1

(01) Some of the characteristics inherent in needs and wants are shown below.

A - Being unlimited.
B - Cannot be changed by social forces.
C - Being individualized.
D - Being able to be created by business people.
E - Being common to all people.
F - Being mandatory to be fulfilled to sustain life.

Which of the above characteristics is relevant only to needs?

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

(02) Select the option that correctly describes the characteristics of a product from the following.

(1) Varies depending on the supplier. (2) Cannot be produced homogeneously.
(3) Cannot be separated from the supplier. (4) Has no physical existence.
(5) Cannot be stored. (……)

(03) Statement A - The first stage of business development is the barter system.

Statement B - As a result of indirect production, surplus production occurred and thus the barter economy emerged.

Of the above two statements,

(1) A is true and statement B is false.

(2) A is false and statement B is true.

(3) Statement B confirms statement A.

(4) Statements A and B are true and there is no interrelationship between them.

(5) Statement A and statement B are false. (……)

(04) The consumer right that directly guarantees the right of a consumer to purchase quality goods and services of good standards so that they can obtain satisfaction commensurate with the money spent is,

(1) The right to information. (2) The right to choose.

(3) The right to redress. (4) The right to meet basic needs.

(5) The right to consumer education. (……)

(05) The following are some of the issues that businesses should focus on when working to ensure sustainable development.

A - Raw material and waste management.
B - Improving the quality of life of the people.
C - Providing equal opportunities for the people.
D - Risk management.
E - Reducing poverty.
F - International trade.

From the above, select the category that includes only the issues that businesses should focus on when working to ensure social sustainable development.

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

(6) Which of the following is a direct action that a business can take to provide a fair return to its owners?

(1) Social welfare services
(2) Green production
(3) Investing money in productive investment channels.
(4) Improving job satisfaction for employees.
(5) Waste management. (……)

(07) Select the incorrect statement regarding advance personal income tax.(APIT)

(1) This is an indirect tax. (2) This is a direct tax.

(3) This is a tax of the income tax category.

(4) This is a tax collected by the Inland Revenue Department.

(5) It is mandatory for the employer to deduct it within the relevant period, regardless of the employee's wishes. (……)

(08) Some of the characteristics of public limited companies and private limited companies are as follows.

A - Minimum number of directors is one.

B - Shares or other securities can be issued publicly.

C - Creditworthiness test must be conducted before dividends can be paid to shareholders.

D - Minimum number of shareholders is one and maximum is 50.

E - Ability to register on the Colombo Stock Exchange.

Select the category that includes the characteristics of public limited companies only.

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

(09) Some of the institutions that use different criteria to identify small and medium scale enterprises are given below.

A - Industrial Development Board

B - Central Bank of Sri Lanka

C - Department of Census and Statistics

D - Department of Small Industries

E - Industrial Technology Institute

Among the above institutions, which of the following institutions uses the criteria of electricity capacity and number of employees respectively?

(1) B and E (2) A and B (3) C and E (4) B and D (5) B and C (……)

(10) The balances of time and savings deposits held by the public in banks are classified as,

(1) Current money (2) Bank money

(3) Substitute money (4) Debt money

(5) Foreign currency (……)

(11) Which of the following is not a case where an insurance claim is not made?

(1) To a shipping company regarding a shipment of goods.

(2) To a wife regarding the life of a husband.

(3) To a pawnbroker regarding the gold items they pawn.

(4) To a businessman regarding the life of his brother.

(5) To a creditor regarding the life of a debtor up to the amount of his debt. (……)

(12) The table below shows some examples of the ways in which communication is carried out through various communication media.

	Written	Oral	Signs and symbols
Internal	Reports	Internal meetings	C…………………..
	A……………………	B……………………	Plan showing the location of the institution
External	D……………………	Public meetings	F…………………..
	Posters	E……………………	Highway signs

Choose the option that best fits the above blanks, A, B, C, D, E and F.

(1) A - Newspapers, B - Voicemail, C - Ambulance signals, D - Memo sheets, E - Telephones, F - Bells
(2) A - Gazettes, B - Drums, C - Road signs, D - Notice boards, E - Telephones, F - Ambulance signals
(3) A - Memo sheets, B - Intercoms, C - Bells, D - Newspapers, E - Telephones, F - Packaging symbols
(4) A - Magazines, B - Telephones, C - Road signs, D - SMS messages, E - Drums, F - Packaging symbols
(5) A - Banner, B - Intercom, C - Ambulance signal, D - Notice board, E - Face to face discussion, F – Bell (……)

(13) Which of the following statements is correct regarding the transportation system?

(1) A bus stop is a part of the transportation route.
(2) An airplane is a part of the transportation force.
(3) A ship is a part of the transportation route.
(4) A port is a part of the transportation terminal.
(5) A railway station is a part of the transportation center. (……)

(14) The following cannot be considered as barriers to the expansion of foreign trade:

(1) Exchange controls
(2) Relative cost advantage
(3) Depreciation
(4) International cartel
(5) Enforcement of trade agreements (……)

(15) An agent who takes over goods from the principal and buys and sells goods at his own discretion in his own name is called,

(1) Broker (2) Commission agent

(3) Agent (4) Trustee

(5) Auctioneer (……)

(16) Select the category that presents the business expectations contained in a plan in order from the following categories.

(1) Vision, Mission, Objectives, Policies, Objectives

(2) Mission, Vision, Objectives, Policies, Objectives

(3) Vision, Mission, Objectives, Policies, Objectives

(4) Vision, Objectives, Mission, Objectives, Policies

(5) Vision, Mission, Objectives, Policies, Objectives (……)

(17) The incorrect statement made regarding "authority" is,

(1) It is a legal power that comes from a position.

(2) Authority has several sources and authority is broader than power.

(3) Authority can be delegated from one person to another within an organization.

(4) There is a legality in the authority for different positions.

(5) Authority is the right to perform various tasks, give commands and distribute resources.

(……)

(18) The management board of a certain clothing manufacturing company has identified various problems with the "organization" of its management process. Which of the following is one such problem?

(1) Use of back-feedback control techniques.

(2) Adoption of a democratic leadership style.

(3) Planning beyond capacity and capability.

(4) Failure to share adequate and accurate information.

(5) Failure to identify tasks correctly. (……)

(19) The unique characteristics of the flow production method are,

(1) Absence of market risk.

(2) Ability to change the product finish from batch to batch.

(3) Production takes place based on current demand on a specific order.

(4) Financial difficulties arise due to the need for large investments.

(5) Increased number of employees required to control the production flow. (……)

(20) Some information extracted from a certain business is given below.

- Number of units sold 60000
- Fixed cost Rs.1200000
- Direct cost per unit :
- Direct materials Rs.40
- Direct labour Rs.20
- Selling price per unit Rs.120

The break-even unit quantity of that business is,

(1) 20000 units (2) 5000 units (3) 2000 units
(4) 50000 units (5) 10000 units (……)

(21) The following are some of the tools related to the variables of the marketing mix.

A - Coverage F - Payment methods
B - Packaging G - Warranty
C – Promotions H - Intermediaries
D – Wholesale I - After-sales service
E – Returns J - Distribution channels

Which of the above answers includes tools related only to "product"?

(1) B,D,G,I (2) B,E,H,I (3) A,B,C,J (4) B,E,G,I (5) B,F,G,I (……)

(22) It is said that the functions of all managers and employees of a business organization should be coordinated with the marketing function,

(1) In internal marketing (2) In relationship marketing
(3) In integrated marketing (4) In performance marketing
(5) In social marketing (……)

(23) The table below shows several activities of a certain manufacturing company and the management functions they involve.

Activities	**Management functions**
(i). Gathering and improving information about the existing product, the production process, and the production plans.	A. Human Resource Management
(ii). Designing new labels for several products	B. Financial management
(iii). Strict control of working capital.	C. Marketing management
(iv). Information Management	D. Operations Management

Which of the following options correctly matches the management functions to which they belong according to the sequence of activities given above?

(1) D, A, C, B (2) D, B, A, C (3) C, D, B, A

(4) D, C, B, A (5) C, A, D, B (……)

(24) Which of the following financial management decisions is an investment decision?

(1) Decisions about obtaining debt capital (2) Decisions about retaining profits

(3) Decisions about trade creditors (4) Decisions about expenses to be paid

(5) Decisions about modernizing the business (……)

(25) In the table below, column X lists the types of financial ratios and column Y lists the corresponding ratios.

X	Y
A. Turnover ratios	1. Current ratio
B. Liquidity ratios	2. Inventory turnover ratio
C. Profitability ratios	3. Debt-to-equity ratio
D. Operating ratios	4. Return on investment ratio

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

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

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

(5) A -2, B -1, C -4, D -3 (……)

(26) The indirect benefits of investing in securities traded on the stock market are:

(1) Receiving dividends.

(2) Receiving capital gains.

(3) Getting an opportunity to issue rights.

(4) Having voting rights for ordinary shareholders and being able to be appointed as a director.

(5) Receiving annual interest for investors who have purchased corporate debentures of companies. (……)

(27) The steps involved in the human resource planning process are as follows.

A - Developing strategies to address human resource surplus or shortage.

B - Assessing human resources.

C - Evaluating and improving the human resource planning effort.

D - Comparing human resource demand and supply.

E - Forecasting future human resource needs

Select the option that correctly lists the steps in the human resource planning process given above.

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

(28) Consider the following two statements and select the correct answer.

1. Training is a relatively short-term program.
2. Development is the preparation of the employee to perform the tasks, duties, and responsibilities of the current job.

(1) Both the first and second statements are true.
(2) The first statement is false and the second statement is true.
(3) Both the statements are false.
(4) The first statement is true and the second statement is false.
(5) The first statement is true and the second statement further explains it. (……)

(29) The benefits to the employer of maintaining a collective agreement are,

(1) Employee security.
(2) Benefits beyond statutory privileges.
(3) Protection of workers' rights.
(4) Creation of a satisfied workforce that is loyal to the organization.
(5) Clarity of rights and responsibilities. (……)

(30) The answer group that shows the sequence of operations in the data processing process is,

(1) Selection, Classification. Calculation, Summary.
(2) Calculation, Selection, Summary, Classification.
(3) Classification, Calculation, Selection, Summary.
(4) Classification, Selection, Calculation, Summary.
(5) Selection, Calculation, Summary, Classification. (……)

- **Fill in the blanks using the appropriate word/words in the answers to questions 31 to 40.**

(31) (A) To satisfy human needs, ...and......................production is carried out by ....

(B) Adding value to resources .... is the main ....

(32) (A) The people within the organization that influence it can be called the .... and .... internal environment.

(B) Through a study of the external environment of a business, a businessman can identify .... and ....

(33) (A) The main function of primary marketers is to make transactions in the ………………………………….. market regarding ....

(B) The Public Service Provident Fund is managed by ....and the responsibility of the Employees Provident Fund is ....

(34) (A)........................... Services and ....Services are two services provided by commercial banks.

(B) Bank overdraft facilities are available to the current account holder in two types as .... and ....

(35) (A) Maintaining the value of the local currency stable without inflation and deflation is known as .... stability, and the resilience of the economy is known as .... stability.

(B) Cheques in which the words "or to the bearer" printed on the cheque are not crossed out are called ....cheques, and if the words "or to the bearer" are crossed out, they are called ....cheques.

(36) (A) The sources of authority for a manager can be mainly classified into two categories: .... and ....

(B) Vertical communication takes place in the form of .... and ....

(37) (A) The process of maintaining inventory under the control of the production process is called inventory control.

(B) The overall evaluation made by the customer of the ability of the product to fulfill the customer's needs is ....and the pleasure gained by the customer by producing a product as expected is ....

(38) (A) While comparing performance marketing programs and measures, attention should be paid to social responsibilities, ... and .... while implementing them.

(B) The Sri Lankan business should be registered under the ....act in ……………………………………………………

(39) (A) The funding requirements of a business can be classified into two types as .... and ....

(B) The recruitment of employees into an organization is done in two ways as .... and ....

(40) (A) The agreement reached between the two sides of the employer and employee regarding industrial disputes is .... and the various measures used by the trade unions to influence the employer regarding industrial disputes are ....

(B) A combination of several fields such as Information Technology, Communication Technology, ... and ....

- **Write the appropriate answers to questions 41 to 50 in the spaces provided.**

(41) Write 04 trends that have occurred in the business sector with the development of information technology today.

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(42) Write 04 business functions that can be seen in a production process.

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(43) Write 04 services provided to the public by investment managers.

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(44) Name 04 types of liability insurance policies available under liability insurance.

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(45) Write 04 objectives of establishing the International Monetary Fund.

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(46) State the steps in the control process.

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(47) Name 04 types of factory layout plans.

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(48) Name 04 different types of brands.

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(49) Name 04 types of securities traded on the Colombo Stock Exchange.

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(50) Write the correct name for the following terms.

1. CSE -..
2. BTC -..
3. ADB -..
4. ESS -..