

MIND-VENTURES EDUCATIONAL SERVICES

Business Studies Revision – Final Mock Examination - I

- ✓ Answer all questions
- ✓ Time allowed is 2 hours
- ✓ Each question is for 2 marks
- ✓ Questions 1-30 are MCQ's
- ✓ Questions 31-40 are fill in the blanks
- ✓ Questions 41-50 are short answers

01	Jason buys & sells computers & related equipment online. All receipts & payments are also done online in a script-less manner. This is; <ol style="list-style-type: none"> 1. E-business 2. Mobile commerce 3. E-commerce 4. Globalization 5. Imports 	02	Abraham Maslow has presented the hierarchy of needs, which are A – Security needs, B – Physiological needs, C – Self-actualization needs, D – Social Needs & E – Esteem needs. The proper order of them would be; <ol style="list-style-type: none"> 1. ABCDE 2. DECBA 3. BADEC 4. ADBCE 5. CEDAB
03	Simon is a potter, while Alvin is a blacksmith. Simon wants a knife from Alvin but Alvin doesn't want a pot. As per barter system, for this exchange to occur an essential condition to fulfill would be; <ol style="list-style-type: none"> 1. Double co-occurrence of wants 2. Existence of 2 parties 3. Existence of a fixed exchange rate 4. Ability to store goods 5. Ability to measure value of goods 	04	The Power crisis will negatively impact Sri Lanka's development. A solution for this problem cannot be; <ol style="list-style-type: none"> 1. Setting up thermal power plants 2. Using alternative energy sources 3. Reducing energy wastage 4. Setting up small & medium scale power plants 5. Limiting the power distribution
05	The United Nations has stated 4 sectors of priority in business social responsibility. The irrelevant sector would be; <ol style="list-style-type: none"> 1. Human rights 2. Employee rights 3. Environmental protection 4. Social services 5. Business sensitivity 	06	What is the organization set up to improve standards & quality control of industries, trade & consumption, while deciding on the national standards? <ol style="list-style-type: none"> 1. Consumer affairs authority 2. Sri Lanka standards institution 3. Parliament of Sri Lanka 4. Central Environmental Authority 5. Dept of weights & measurements standards & services
07	A feature found in a cooperative business can be; <ol style="list-style-type: none"> 1. Free transfer of shares 	08	Nestle & Unilevers are world renown multinational companies, which in Sri Lanka can also be a; <ol style="list-style-type: none"> 1. Off-shore company

	<ol style="list-style-type: none"> 2. Customers may receive returns of the organization 3. Mutual Agency 4. Profit making objective 5. Registered under the companies act 		<ol style="list-style-type: none"> 2. PLC 3. Foreign company 4. Sister company 5. Company ltd by guarantee
09	<p>Timothy is a producer of cinnamon tea. He has invented this new product variety by identifying the market. A quality of a successful entrepreneur cannot be;</p> <ol style="list-style-type: none"> 1. Determination 2. Dream 3. Commitment 4. Attractiveness 5. Doer 	10	<p>A difference between a small business & self-employment cannot be;</p> <ol style="list-style-type: none"> 1. Small businesses may have employees while self-employment may not 2. Expansion of self-employment may create small businesses 3. Self-employment are mostly home based 4. Decisions can be made quickly in small businesses 5. Small businesses earn a higher profit
11	<p>The category that has E-money identified as E-cash or e-purse can be;</p> <ol style="list-style-type: none"> 1. Credit & debit cards, smart card & digi-cash 2. Notes & coins, smart card, debit card & near money 3. Commercial papers, credit & debit cards & commodity money 4. Standard money, legal tender money, digi-cash & debit cards 5. Credit & debit cards, commercial papers & digi-cash 	12	<p>What is meant by liquidity preference is;</p> <ol style="list-style-type: none"> 1. Ability to convert an asset into cash quickly & without any loss 2. Public disliking towards holding onto cash in hand 3. Public attempt to convert local currency into foreign currency 4. Public desire to keep notes & coins at a time with them 5. The public converting their demand deposits into savings deposits
13	<p>Edwin is a 40 year old government clerk & has some side business income in addition to his salary. He plans to get an insurance policy & the irrelevant point to prove his utmost good faith can be;</p> <ol style="list-style-type: none"> 1. Edwin's age 2. Health status 3. Job designation 4. Source of income 5. Situations where claims are not paid 	14	<p>An importer who didn't lose his goods due to an emergency have to bear a part of the loss of an importer who lost his goods. This is known as;</p> <ol style="list-style-type: none"> 1. Marine insurance 2. Cargo insurance 3. Common contribution 4. Policy with total loss 5. Hull insurance
15	<p>The function of a "Memo" can be;</p> <ol style="list-style-type: none"> 1. A document sent by one department head to another calling for a meeting 	16	<p>The coordination of physical & human resources to achieve the organization's objectives can be;</p> <ol style="list-style-type: none"> 1. Management 2. Planning 3. Control

	<ol style="list-style-type: none"> 2. A document sent to the finance department requesting for a salary advance 3. A reminder sent by the CEO to the other directors regarding the AGM 4. A short message sent by an executive to another employee 5. A document to communicate external information exchanged to internal parties 		<ol style="list-style-type: none"> 4. Leading 5. Organizing
17	<p>An important factor to be included in a mission statement can be; A – what is the business, B – who are the owners, C – what is the management’s vision, D – commitment to quality & CSR, E – what are the main strategies & F – the reason for existence. What are the relevant factors?</p> <ol style="list-style-type: none"> 1. ABCDE 2. BCDEF 3. ACDEF 4. ABDEF 5. ABCEF 	18	<p>The total cost per unit is Rs. 25/-, total investment is Rs. 2,000,000/-, expected ROI is 20% & expected sales are 20,000 units. The target return price can be;</p> <ol style="list-style-type: none"> 1. Rs. 35/- 2. Rs. 45/- 3. Rs. 25/- 4. Rs. 60/- 5. Rs. 40/-
19	<p>Details of items in a warehouse can be; standard price per unit Rs. 10/-, daily requirement 400 units, minimum lead time 15 days, maximum lead time 25 days & EOQ 7,200 units. The maximum stock level can be;</p> <ol style="list-style-type: none"> 1. 10,000 2. 2,000 3. 2,800 4. 11,200 5. 15,200 	20	<p>The 3 main parties found in a unit trust can be;</p> <ol style="list-style-type: none"> 1. Trustee, shareholder & broker 2. Trustee, unit holder & fund manager 3. Shareholder, unit holder & broker 4. Fund manager, unit holder & government 5. Unit holder, trustee & central depository system
21	<p>The element not included in the holistic marketing concept can be;</p> <ol style="list-style-type: none"> 1. Customer needs & wants 2. Internal marketing 3. Socially responsible marketing 4. Relationship marketing 5. Integrated marketing 	22	<p>The category that includes industrial goods can be;</p> <ol style="list-style-type: none"> 1. Raw materials, work in progress & finished goods 2. Materials & parts, work in progress, supplies & business services 3. Materials & parts, supplies & business services & finished goods 4. Materials & parts, capital items & supplies & business services 5. Supplies & business services, machinery & equipment

23	<p>The cash structure of a business is shown in;</p> <ol style="list-style-type: none"> 1. The cash needed for day to day business activities 2. Cash in hand & bank found under current assets in the balance sheet 3. Cash borrowed in Long term liabilities in the balance sheet 4. The cash borrowed under debt capital 5. None of the above 	24	<p>Sam has bought some debentures which pays different rates of interest at different times. These debentures are;</p> <ol style="list-style-type: none"> 1. Callable debentures 2. Fixed interest debentures 3. Debentures with interest 4. Variable interest debentures 5. Debentures without interest
25	<p>A disadvantage of a job application system can be;</p> <ol style="list-style-type: none"> 1. Able to compare candidates 2. Can use them for interviews 3. Takes time application analysis 4. Can obtain info on literacy & hand-writing 5. Higher level of validity 	26	<p>Labour turnover is meant by;</p> <ol style="list-style-type: none"> 1. Labour cost to produce one unit 2. Loss due to absence of employees 3. Loss due breakdown in industrial peace 4. Periodical turnover earned by utilizing the employees 5. No of employees leaving the organization during a period for various reasons
27	<p>The computer network for information exchange between an organization & its branches & dealers can be;</p> <ol style="list-style-type: none"> 1. Internet 2. Intranet 3. Extranet 4. Intercom 5. Websites 	28	<p>An example for an office automation system (OAS) cannot be;</p> <ol style="list-style-type: none"> 1. Computer aided designing system 2. Data base systems 3. Word processing systems 4. Desktop publishing system 5. E-mail system
29	<p>A factor not to be considered when preparing a business plan can be;</p> <ol style="list-style-type: none"> 1. Required financial resources 2. Clarity 3. Customers 4. Goals 5. Realistic 	30	<p>A factor not found in a business plan can but found in a project can be;</p> <ol style="list-style-type: none"> 1. A specific start & end 2. Presented to acquire the needed loans 3. Ability to predict a business' success or failure 4. Guidance towards a business' future 5. Existence of an achievable goal/s
31	<p>A. Business = + + Supporting services B. As per central bank report, industrial sector comprises of 1. , 2. Manufacturing industries, 3. , & 4. Electricity, gas & water</p>	32	<p>A. The external environment of a business comprises of 2 elements which are + B. In a SWOT analysis, are identified from the internal environment while are identified from the external environment</p>

33	A. Every partner is both a principle & an agent for himself & other partners is called	34	A. An efficient & effective manager should have ... , ... & ... as basic attributes B. In a company flows from top to bottom while flows from bottom to top
	B. The certification issued by the registrar general of companies stating it has been registered is		
35	A production process comprises of activities such as input, conversion process & output while the conversion process includes 1. Assembly, 2., 3., & knowledge	36	Modern marketing concept has 3 core elements, which are 1. Creating a value to the customer, 2., & 3.
37	The organization using its funds to invest in the business without getting from a 3 rd party or intermediary is known as while funding through financial intermediaries is known as	38	Adding more activities to a job is known as while adding more authorities & responsibilities is known as
39	The software program that runs the entire system as a whole is known as while a software used to perform a specified task is known as	40	The parties expected to attract through a business plan can be, 1. Potential investors, 2., 3., 4. Managers & employees & 5.
41	Environmental analysis is a crucial activity due to business environment being complicated & full of new trends. Write 4 such new trends	42	What is the definition by USA on CSR?
43	A. To whom the registration documents of a cooperative society must be submitted? B. Write down 2 functions of the department of cooperatives development	44	Motivation or being motivated is an important feature of an entrepreneur. Write 4 factors that will create motivation.
45	RTGS is a modern payment & settlement system introduced by the CBSL to Sri Lanka. The participants of this system are;	46	Write down 4 legal aspects you would consider before starting a passenger transport system
47	Write down 4 reasons as to why email has become famous a communication method	48	A. What is the control process done before some activity of work takes place is called? B. Write down 4 financial control instruments used for finance control
49	The sources of finance of a company can be classified based on ownership, time, source of acquisition & how can you classify it based on participation of intermediaries?	50	A. Internet relay chatting is very famous today. What are the 3 types of internet relay chatting that can be found? B. What is meant by "office technology"?

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