

සියලු ම හිමිකම් ඇවිරිණි / முழுப் பதிப்புரிமையுடையது / All Rights Reserved

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අධ්‍යයන පොදු සහතික පත්‍ර (සාමාන්‍ය පෙළ) විභාගය, 2022(2023)  
கல்விப் பொதுத் தராதரப் பத்திர (சாதாரண தர)ப் பரீட்சை, 2022(2023)  
General Certificate of Education (Ord. Level) Examination, 2022(2023)

ව්‍යවසායකත්ව අධ්‍යයනය I, II  
முயற்சியாண்மைக் கற்கை I, II  
Entrepreneurship Studies I, II

පැය තුනයි  
மூன்று மணித்தியாலம்  
Three hours

අමතර කියවීමේ කාලය - මිනිත්තු 10 යි  
மேலதிக வாசிப்பு நேரம் - 10 நிமிடங்கள்  
Additional Reading Time - 10 minutes

Use additional reading time to go through the question paper, select the questions and decide on the questions that you give priority in answering.

Entrepreneurship Studies I

Instructions:

- \* Answer all questions.
- \* In each of the questions 1 to 40, pick one of the alternatives (1), (2), (3), (4) which is correct or most appropriate.
- \* Mark a cross (X) on the number corresponding to your choice in the given answer sheet.
- \* Further instructions are given on the back of the answer sheet. Follow them carefully.

1. Entrepreneurship can be identified as
  - (1) a valuable idea.
  - (2) one related only with the knowledge.
  - (3) a mind set related with a person.
  - (4) one that is essential to success.
2. A basic characteristic that should be in an entrepreneur for generating innovations is
  - (1) creative thinking.
  - (2) environment analysis.
  - (3) commitment.
  - (4) vision.
3. Nipun and Supun are friends. While Nipun started a business to sell imported bulbs, Supun started a business to produce plastic items by recycling wasted plastic. Here mentioned
  - (1) both Nipun and Supun are entrepreneurs.
  - (2) both Nipun and Supun are businessmen.
  - (3) while Nipun is an entrepreneur, Supun is a businessman.
  - (4) while Supun is an entrepreneur, Nipun is a businessman.
4. An entrepreneur works to achieve his objectives with a self-control. This can be identified as
  - (1) vision.
  - (2) flexibility.
  - (3) being optimistic.
  - (4) independence.
5. A contribution of an entrepreneur for social welfare is
  - (1) providing jobs for a large number of people.
  - (2) paying a high salary for employees.
  - (3) providing more training opportunities for employees.
  - (4) providing discounts for customers.
6. Heads of government institutions who have won quality awards can be identified as
  - (1) social entrepreneurs.
  - (2) business entrepreneurs.
  - (3) internal entrepreneurs.
  - (4) economical entrepreneurs.
7. An example for an activity of fulfilling the role of the leader of an entrepreneur is
  - (1) providing capital needed to the business.
  - (2) guiding the employees for needed activities.
  - (3) checking whether business activities are being done according to the business plan.
  - (4) providing human and physical resources needed to the business.

8. A business that uses existing natural resources most in Sri Lanka is  
(1) coconut related production business. (2) jewellery business.  
(3) tourism business. (4) animal feed production related business.
9. Suranimala always maintains a flexible plan in the organization. Related to Suranimala's business, this is a  
(1) weakness. (2) strength.  
(3) challenge. (4) threat.
10. When small scale businesses are doing their business activities, they mostly consider  
(1) incentives given by the government.  
(2) nature of competition.  
(3) local knowledge and resources.  
(4) ability of leadership.
11. A function which is done by an entrepreneur by handling human resources properly, promoting them and influencing them necessarily is identified as the role of  
(1) the business owner. (2) the manager.  
(3) the leader. (4) the businessman.
12. A characteristic which **cannot** be seen in a small business is  
(1) having invested a small capital. (2) difficulty of making decisions.  
(3) small number of employees. (4) owned by one person.
13. At present most of the food producing businesses deliver their products to home on customer orders. This belongs to  
(1) primary sector. (2) secondary sector.  
(3) tertiary sector. (4) production sector.
14. An economic environment factor which has influenced entrepreneurs in Sri Lanka at present is  
(1) competitors changing their strategies.  
(2) increasing interest rates of loans.  
(3) increasing number of elderly people in the population.  
(4) increasing opportunities to enter the foreign market through internet services.
15. Amal decides to introduce a new type of sausage to the market for vegetarians. Here Amal has considered mainly  
(1) the demographic environment. (2) the economic environment.  
(3) the natural environment. (4) the social and cultural environment.
16. A political and legal environmental factor that has affected mostly to the businesses at present Sri Lanka is  
(1) changing interest rates.  
(2) changing tax rates.  
(3) improving information technology.  
(4) increasing salary level.
17. An internal environmental factor which influences to a business of producing and distributing rice is  
(1) decreasing the living standard of rice consumers.  
(2) limiting the import of rice.  
(3) decreasing the rice production due to drought.  
(4) inadequate stores to store paddy.
18. For emerging business ideas in an entrepreneur, the essential characteristic that should be along with the interest is  
(1) independence. (2) being optimistic.  
(3) creativity. (4) flexibility.

19. When comparing the modern business environment with past business environment, select the most suitable answer related to modern business environment.
- (1) Increasing the speed of changing, decreasing the competition and consumers being more powerful
  - (2) Increasing the speed of changing, increasing the competition and businessmen being more powerful
  - (3) Increasing the speed of changing, increasing the competition and consumers being more powerful
  - (4) Increasing the speed of changing, increasing the competition and not spreading globally
20. Kevin takes orders using internet and delivers shirts and trousers to homes. This is an offering of
- (1) an existing product to existing market.
  - (2) an existing product to new market.
  - (3) a new product to existing market.
  - (4) a new product to new market.
21. Producing and distributing goods or services using limited resources and doing transactions based on price in a business can be considered as
- (1) a financial transaction.
  - (2) an economic activity.
  - (3) an activity with risks.
  - (4) carrying out the transactions using resources.
22. The report prepared by an entrepreneur, including the goals and objectives of his organization and ways of achieving them is
- (1) the business plan.
  - (2) the financial plan.
  - (3) the budget plan.
  - (4) the investment forecasting plan.
23. Naveen expects to start a business of private teaching by using internet (online). The most suitable place for this is a
- (1) building near a school.
  - (2) building having road access.
  - (3) quiet room in his home.
  - (4) part of a super market building in a crowded city.
24. Starting 'Care centres' for pensioners is considered as
- (1) a unique service.
  - (2) a product using differentiation.
  - (3) a service by seeing a market gap.
  - (4) an innovation.
25. Through minimizing environment pollution, business fulfills,
- (1) philanthropic responsibility.
  - (2) ethical responsibility.
  - (3) economic responsibility.
  - (4) legal responsibility.
26. A legal responsibility fulfilled by a business is
- (1) training and developing employees.
  - (2) improving quality of products.
  - (3) paying employee provident funds properly.
  - (4) sponsoring for community activities such as education and health.
27. A sole proprietorship differs from a partnership by
- (1) liability.
  - (2) existence.
  - (3) ownership.
  - (4) registration.

28. Self service marketing implemented at present is an innovation. It can be considered as  
(1) a new invention. (2) an extension of existing service.  
(3) a duplication. (4) a combination.
29. The ability to develop new ideas as solutions by looking at problems and opportunities can be identified as  
(1) creativity. (2) innovation.  
(3) taking risks. (4) being optimistic.
30. At present, changing the exchange rate of Sri Lankan rupee value against US Dollar is related to  
(1) demographic environment. (2) economic environment.  
(3) political and legal environment. (4) global environment.
31. The minimum and maximum number of members of a Private Limited Company should be respectively  
(1) 1 and 20. (2) 2 and 20.  
(3) 1 and 50. (4) 2 and 50.
32. Sunil expects to start a retail shop in his area. An opportunity for his expected business is  
(1) having money necessary to invest in the business.  
(2) having good knowledge on business management.  
(3) closing up the only retail shop operated in his area.  
(4) increasing tax charged from businesses by the government.
33. Although Amara applied a bank loan by the name of his business, the bank rejected it and informed that he could be given a loan by his name. The reason for this, is that  
(1) the ownership of the business rests within single person.  
(2) the business has not been registered.  
(3) there is no legal personality to the business.  
(4) there is no continued existence in the business.
34. The factors, high performance, uncertainty in future and competition are considered in entrepreneurship as  
(1) environmental factors. (2) challenging factors.  
(3) production factors. (4) internal factors.
35. The expenditure used to get water facilities to a proposed manufacturing business is  
(1) a production cost.  
(2) an administrative expense.  
(3) a pre-start up expense.  
(4) an expense required for day to day business activities.
36. A fixed asset that is included in the marketing plan of a manufacturing and trading business is  
(1) factory building.  
(2) office furniture.  
(3) motor vehicles used for distributing goods.  
(4) plant and equipment used for manufacturing goods.
37. A cash inflow that is used when preparing the statement of expected results calculation in a proposed business is  
(1) owner's investment. (2) bank loans.  
(3) expected sales revenue. (4) money received from debtors.
38. Estimation of factory employees salaries in a proposed apparel business is in  
(1) the financial plan. (2) the production plan.  
(3) the administration plan. (4) the marketing plan.

39. The following are some information extracted from elements of a business plan.

- A – Competitors
- B – Business registration fee
- C – Working capital
- D – Advertising expenses
- E – Office employee's salary

From the above information, what are included in the marketing plan?

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

40. Sarani decided to start a business to make and sell children's dresses. Some expenses included in her estimation prepared for the first month are given below.

For cloths and other raw materials	Rs.120 000
For employees salary	Rs.50 000
For rent and electricity	Rs.60 000
For preparing business plan	Rs.10 000

According to the above information Estimated working capital for business activities in proposed business of Sarani is

- (1) Rs. 240 000.                      (2) Rs. 230 000.                      (3) Rs. 170 000.                      (4) Rs. 110 000.

\* \*

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கல்விப் பொதுத் தராதரப் பத்திர (சாதாரண தர)ப் பரீட்சை, 2022(2023)  
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ව්‍යවසායකත්ව අධ්‍යයනය I, II  
முயற்சியாண்மைக் கற்கை I, II  
Entrepreneurship Studies I, II

## Entrepreneurship Studies II

\* Answer five questions including question No. 1.

1. Read the following case carefully and answer the questions (i) to (x).

Nalin works in a private firm. Although he liked to do new things, he did not get an opportunity for that because of his job. Nalin's father Sunil has a textile shop. As he got it from his father, Sunil does not like to do any change in that business. Sunil runs this business as his father did and he doesn't like to accept even the new ideas given by his son Nalin.

Nalin has decided to leave his job and start a new business of ladies dress making named 'Vilasitha' with the help of his wife Nayana. Nalin's wife Nayana has a skill of creating modern styles for ladies dresses. Nalin and Nayana have agreed to invest money for the business Rs. 500 000 and Rs. 300 000 respectively. Nalin expects to run the business in a rented building, buy two sewing machines, recruit two employees for making dresses, sell their products in his father's shop and deliver them by getting orders through online.

- State **two** characteristics of entrepreneurship possessed by Nalin and prove them by giving examples from the case.
- Write **two** factors indicated that Sunil is not an entrepreneur though he is a businessman.
- State **two** benefits that Nalin can gain by starting a business than doing a job in a private firm.
- Name a type of business organization that Nalin can select to start the proposed business and write **two** advantages of that type of business organization.
- State **two** marketing strategies that Nalin expects to use to sell the products of proposed business.

- Some information extracted from Nalin's proposed business are given below.

Item	Rs.
Purchasing two sewing machines .....	350 000
Preparing the business plan .....	20 000
Registering the business .....	30 000
Expenses for the first month:	
Cloths and other raw materials.....	255 000
Two-employees salary.....	50 000
Administration and distribution expenses.....	95 000
Sales income for the first month .....	580 000

**Required:** The following of Nalin's proposed business

- Total investment and total assets
- Two cash inflows and two cash outflows
- Total production cost
- Pre-startup cost
- Net profit for the first month

(02 × 10 = 20 marks)

[see page seven]

2. (i) Explain in brief 'Entrepreneurship'.  
(ii) State **four** benefits gained through Entrepreneurship on economical crisis existing in present Sri Lanka.  
(iii) Write **four** factors that obstruct creativity of an entrepreneur in the changing environment.  
(iv) Name **two** skills that should be developed by an entrepreneur and write an example for each of them.  
(v) State **four** decisions that should be taken by an entrepreneur when starting a business.  
(02 × 05 = 10 marks)
3. (i) Name **two** natural resources available in Sri Lanka and state a business opportunity generated through each of them.  
(ii) Write **two** benefits that an entrepreneur can gain through understanding the real changes occurred in the changing environment.  
(iii) Name **two** factors of the internal environment which influence the functions of a business and state briefly how they become strengths to the business.  
(iv) Explain in brief the relationship between the risk faced by an entrepreneur and the return (benefit).  
(v) Write **four** examples for the activities performed by an entrepreneur in the role of owner.  
(02 × 05 = 10 marks)
4. (i) Business organizations are classified into two types based on the ownership. Name those **two** types and give example for each.  
(ii) Write **four** common characteristics that can be seen in every business organization.  
(iii) Write **two** advantages that an owner of a sole proprietorship gains other than a partner of a partnership.  
(iv) State in brief how the following functions are fulfilled in incorporated companies.  
(a) Raising the capital  
(b) Management  
(v) State the steps that should be taken by an entrepreneur to get 'the certificate of registration of the business name' before starting a business.  
(02 × 05 = 10 marks)
5. (i) Write **four** reasons for the failure of many small scale businesses.  
(ii) State an advantage and a disadvantage gained by an entrepreneur by offering a new product or service to a new market.  
(iii) Write **four** sources of capital for a new entrepreneur when starting a business.  
(iv) State **four** criteria studied in detail for micro analysis at the process of selecting a good business idea that is suitable for a business opportunity.  
(v) What are the information indicated in the 'executive summary' that is an important element of a business plan?  
(02 × 05 = 10 marks)

6. (i) Name **two** stakeholders of a business and state **two** expectations of each stakeholder.
- (ii) Write **four** incentives given to entrepreneurs by the government and non government institutions.
- (iii) State **four** methods used often to gather information needed for the market analysis included in the marketing plan.
- (iv) Write **four** reasons influenced for promoting women to the entrepreneurship.
- (v) 'Solutions can be gained for many existing problems in the country through creating a good entrepreneurial culture in Sri Lanka.' Justify this statement using **two** existing problems in Sri Lanka at present.

(02 × 05 = 10 marks)

7. Raj has decided to start a small business for making fruit drink and selling. Estimated income and expenses for the first month in his business are given below:

Expenses	Rs.
Purchasing raw materials.....	40 000
Salary of drink maker .....	20 000
Other production cost .....	10 000
Rent and electricity .....	20 000
Selling expenses .....	15 000
Bank loan interest .....	5 000
<b>Income</b>	
Sales.....	150 000

**Required:**

Preparing the **Statement of expected result calculation** in Raj's business for the first month indicating Sales income, Total production cost, Total non-production cost and Net profit.

(10 marks)

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