



SLIATE

SRI LANKA INSTITUTE OF ADVANCED TECHNOLOGICAL EDUCATION

(Established in the Ministry of Higher Education, vide in Act No. 29 of 1995)

**Higher National Diploma in Accountancy
HNDA 1stYear1st Semester Examination – 2017
HNDA 1103 Commercial Awareness**

Instructions for Candidates:
Answer any five Questions

No. of questions :06
No. of pages :03
Time :03 hours

Question 01

- (i) What are the four (04) fields of business organization? **(4 Marks)**
- (ii) Briefly explain the objectives of business organization. **(4Marks)**
- (iii) State three (03) advantages of limited liability companies compared to a sole proprietorship. **(3 Marks)**
- (iv) Explain the term “SWOT analysis”. **(5 Marks)**
- (v) What are the major sources of power? **(4 Marks)**

(Total 20 marks)

Question 02

- (i) State three (03) factors that should be considered in selecting efficient transportation mode. **(3 Marks)**
- (ii) Briefly explain the importance of transportation for a business organization. **(6Marks)**
- (iii) What are the major elements of a communication process? **(6Marks)**
- (iv) Briefly explain, over insurance and under insurance with examples. **(5 Marks)**

(Total20 marks)

Question 03

- (i) Briefly explain the financial market. **(3 Marks)**
- (ii) State three (03) organizations which are activated in capital market . **(3Marks)**

- (iii) State four (04) examples for instruments which are traded in money market. (4Marks)
- (iv) Identify the main function of the Colombo Stock Exchange (CSE) and briefly explain Central Depository system (CDS) activated in Colombo stock exchange (4 Marks)
- (v) Briefly explain the principles of insurance. (6Marks)
- (Total 20Marks)

Question 04

- (i) Describe the importance of management for modern business. (5Marks)
- (ii) What are the requirements to be a better manager? (5 Marks)
- (iii) Classify managers according to functional areas and briefly explain them. (5 Marks)
- (vi) Briefly explain macro and micro environment of a business organization. (5Marks)
- (Total20Marks)

Question 05

- (i) What are the Sequential Steps in preparing an effective Plan? (6 Marks)
- (ii) State three (04) limitations of planning. (2 Marks)
- (iii) Define organizational structure and describe its elements. (6Marks)
- (iv) Define the term “authority”. (2Marks)
- (v) Briefly explain the term “delegation” and State three (03) reasons for delegation. (4 Marks)
- (Total 20 Marks)

Question 06

- (i) Describe three (03) types of leadership styles. (6 Marks)
- (ii) Explain the importance of “Two Factor Theory” (4 Marks)
- (iii) Explain the three types of controlling. (6 Marks)
- (iv) Briefly explain financial controlling and provide four (04) examples for financial controlling techniques. (4 Marks)
- (Total20Marks)

