**NAME………………………………………………………..CLASS…………ADM……….**

**OPENER EXAMINATION: TERM 2 2024**

**BUSINESS STUDIES**

**FORM 3**

1. State **four** benefits of learning business to a Kenyan student. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

2. Outline **four** elements that may comprise the internal business environment. (4mks )

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

3. Give **four** reasons why a business may fail. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

4. Highlight **four** characteristics of capital as a factor of production. (4mks)  
i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

5. State **four** ways in which a society benefits from direct production. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

6. Give **four** reasons why the government of Kenya is encouraging entrepreneurship knowledge in schools. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

7. Highlight **four** qualities of an effective office manager. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

8. State **four** features of supermarkets. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

9. List any **four** clauses of memorandum of association for joint stock companies. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

10. Outline **four** major areas of government participation in business. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

11. State any **four** elements in communication. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

12. Give **four** reasons why a manufacturing firm would be located in an area well served by good road network. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

13. Mr. Muita is a wholesaler in Gathioro trading centre who owns his own warehouse. Outline **four** benefits that will accrue to him from his warehouse. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

14. State any **four** principles of insurance. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

15. Outline **four** unethical practices that are associated with product promotion. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

16. State **four** factors that may accrue an increase in the supply of a product. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

17. Highlight **four** advantages of large-scale business organization. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

18. Outline **four** features of monopolistic competition. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

19. State any cost incurred by intermediaries in the process of distribution. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

20. Outline **four** reasons why an increase in per capita income may not necessarily lead to a rise in the standard of living . (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

21. Give **four** problems associated with an ageing population. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

22. State **four** sources of monopoly powers. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

23. Highlight **four** factors that determine the amount of premiums in life assurance. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………

24. State **four** factors that have hindered the expansion of railway transport in Kenya. (4mks)

i) ……………………………………………………………………………………………………………………….

ii) …………………………………………………………………………………………………………………………

iii) ………………………………………………………………………………………………………………………..

iv) ………………………………………………………………………………………………………………………