***GATITU DAY MIXED SECONDARY SCHOOL***

***BUSINESS FORM 3***

***END OF TERM 2 2012 EXAM***

1. Outline 4 difficulties faced in process of satisfying human wants (4mks)
2. Outline 4 measures put in place by Kenyan government to make road transport more efficient. (4mks)
3. Outline 4 reasons why business studies are important to the society. (4mks)
4. State 2 classifications of goods produced in an economy. (2mks)
5. Highlight 4 limitations of consumers initiated method of consumer protection. (4mks)
6. State four circumstances when face to face communication would be preferred to written communication in an organization. (4mks)
7. State 4 ways in which the use of computers are of benefit to business establishments. (4mks)
8. Highlight 4 characteristics of oligopoly market structure. (4mks)
9. Outline 4 methods used by a monopolistic firm to differentiate. (4mks)
10. Moses was recently employed by Xana Company. Advice him on 4 reasons why he can take an endowment policy instead of whole life policy. (4mks)
11. State 4 circumstances under which a fall in price of commodity would not lead to a fall in the quantity demanded of the same quantity. (4mks)
12. The figure shows a decrease in demand for as commodity from DD to D1D1

 Price

 Quantity

State 4 possible causes that have led to this situation (4mks)

1. State 4 factors that determine the size of a business. (4mks)
2. Discuss 5 ways of determining prices in the market. (10mks)