**DARAJANI SECONDARY SCHOOL,**

**P.O. BOX 20-90129, NGWATA.**

**MID\_TERM 2, 2015\_ EXAMINATION**

**FORM 3**

**BUSINESS STUDIES PAPER 2 (565/2)**

**TIME: 2HRS**

**NAME…………………………………………………………………………………………ADM. NO……………….. CLASS:…………….**

**Attempt any five questions**

1. (a) Explain five benefits that may be realized by a country as a result of government policy to relocate industries in rural areas. (10 marks)

(b) Despite their poor performances, the government is still interested in operating public corporation in the country. Explain five reasons why this is so? (10 marks)

1. (a) Explain any five factors that may influence the supply of a product. (10 marks)

(b) Explain five advantages of containerization to a countries transport system. (10 marks)

1. (a) In most secondary schools in Kenya, members of staff are accommodated in one large room. Explain five disadvantages associated with this kind of arrangement. (10 marks)

(b) Explain five problems associated with the calculation of national income using income approach. (10 marks)

1. (a) Describe five ways in which a price of a product can be determined in a market. (10 marks)

(b) Outline five differences between a private limited company and a public corporation. (10 marks)

1. (a) Explain five factors that hinder entrepreneurial development in our country. (10 marks)
2. Explain five reasons for government involvement in business activities. (10 marks)
3. (a) Explain five factors that may help to determine the size of a firm. (10 marks)

(b) Explain five external factors that may positively influence the operations of a business. (10 marks)