

**GATITU GIRLS SECONDARY SCHOOL BOX 327-01030 GATUNDU
BUSINESS STUDIES TERM ONE MIDTERM EXAM FORM THREE 2016**

NAME _____ ADM _____ CLASS _____

1.a) Outline five reasons that may account for the continued use of hand carts as a mode of transport (5marks)

- a) _____
- b) _____
- c) _____
- d) _____
- e) _____

b) By the use of diagram, explain the effects of excess supply over demand on quantity demanded and supplied

10mks

2.a) Highlight five reasons why Kenyan government involves in business enterprises (5Marks)

- a) _____
- b) _____
- c) _____
- d) _____
- e) _____

b) Highlight five circumstances under which personal selling is appropriate

(5 marks)

a) _____

b) _____

c) _____

d) _____

e) _____

3a) Highlight four services rendered by retailers to consumers

(4 marks)

a) _____

b) _____

c) _____

d) _____

b) Outline four circumstances under which one may use signs in communication.

(4 marks)

a) _____

b) _____

c) _____

d) _____

4a) Highlight four problems encountered when calculating national income through expenditure approach

(4mks)

a) _____

b) _____

c) _____

d) _____

6) Outline four differences between perfect competition and monopoly

(4mks)

a) _____

b) _____

c) _____

d) _____

7) Identify the types of utility created in the following circumstances.

(4 mks)

	Circumstance	Type of Utility
a)	Processing and packing Tea leaves in a factory	
b)	Transporting Tea from Kiambu to Nairobi	
c)	Selling Tea leaves in a shop	
d)	Where the retailers stores tea leaves packets in his warehouse	

8) Outline four factors to be considered when choosing a channel of distribution. (4 marks)

- a) _____
- b) _____
- c) _____
- d) _____

9a) Outline five channels of distribution for imported goods. (5 mks)

- a) _____
- b) _____
- c) _____
- d) _____
- e) _____

10) Explain five qualities of an office messenger. (5mks)

- a) _____
- b) _____
- c) _____
- d) _____
- e) _____

11. Outline four factors that determine the location of a firm (4mks)

- a) _____
- b) _____
- c) _____
- d) _____

12. Mention four features of capital as a factor of production (4mks)

- a) _____

b) _____

c) _____

d) _____

13. Give **four reasons** which make buyers to shy off from buying goods through hire purchase (4mks)

a) _____

b) _____

c) _____

d) _____