**BUSINESS STUDIES FORM 3 EXAM**

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

1. Explain the term demand (2mks)
2. Give 3 functions of co-operative societies.(3mks)
3. Explain the concept of scarcity, choice and opportunity cost.(3mks)
4. Give the 2 types of goods which may **NOT** be affected by the law of demand.(2mks)
5. Give four factors that may affect the demand of a commodity.(4mks)
6. The diagram below represents a shift on the supply curve.

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | | |
|  | **SS** | **SS1** |  |
|  | | | | |

**Give 4 reasons why SS** has shifted to S1S1.( 4mks)

1. Give three other methods that may be used in determining the price other than through the forces of demand and supply.( 4mks)
2. Give 4 incentives those can be given by the government to encourage development of firms .(4mks)

9. Briefly 4 explain factors to be considered by a firm before embarking on the production of a particular product. (8mks)

10. Explain 4 disadvantages of firm delocalization. (8mks)

11. Explain 4 factors which have contributed to existence of small firms in any economy dominated by big businesses.(8mks)