



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

CERTIFICATE IN HUMAN RESOURCE MANAGEMENT
CERTIFICATE IN BUSINESS MANAGEMENT
CERTIFICATE IN STORES MANAGEMENT

BAC 1102: BUSINESS STUDIES

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) State and explain any **FIVE** advantages of a partnership type of business ownership. (10 marks)
- b) Briefly state and explain any **THREE** basic principles of insurance. (10 marks)
- c) Give and explain any **FIVE** advantages of international trade. (10 marks)

QUESTION 2

- a) Give any **FIVE** examples of external economies of scale. (10 marks)
- b) Briefly highlight **FIVE** roles of a retailer to a wholesaler. (10 marks)

QUESTION 3

- a) Discuss any **FIVE** significance of business studies to the community and economy at large. (10 marks)
- b) Give **FIVE** advantages of sole proprietorship type of business. (10 marks)

QUESTION 4

- a) State and explain any **SIX** factors that affects the demand of a commodity. (12 marks)
- b) Give any **SEVEN** functions of a wholesaler. (7 marks)
- c) Give **ONE** function of commercial bank in Kenya. (1 mark)

QUESTION 5

- a) Give and explain any **FOUR** components of an external environment of a business giving examples in each. (12 marks)
- b) Define the following terms as used in business:
 - i) Insurance (1 mark)
 - ii) Economies of scale. (1 mark)
 - iii) Containerization (2 marks)
 - iv) Warehousing (2 marks)
 - v) Difference between direct and indirect production. (2 marks)