

BUSINESS STUDIES GRADE 10
END OF TERM 1 EXAMINATION 2026

NAME.....ADM NO.....

DATE.....SIGN.....

Time: 2½ Hours

INSTRUCTIONS TO CANDIDATES

1. Answer ALL questions.
2. Write your answers in the spaces provided.

1.a) Define the following terms: (4 marks)

i. Business

ii. Scarcity

iii. Opportunity cost

iv. Entrepreneurship

b) Explain four characteristics of human wants. (8 marks)

c) Describe four factors of production and state their rewards. (8 marks)

2.a) Distinguish between the following pairs of terms: (8 marks)

i. Primary production and Secondary production.

ii. Direct production and Indirect production.

b) Explain four advantages of a sole proprietorship. (8 marks)

c) State four functions of money in the economy (4 marks)

3.a) Explain five characteristics of a private limited company. (10 marks)

b) Outline five challenges faced by entrepreneurs in Kenya today. (10 marks)

4.a) Explain five roles of entrepreneurship in economic development. (10 marks)

b) Discuss five ethical practices that businesses should observe. (10 marks)

5.a) Explain five stages involved in starting a small business. (10 marks)

b) Discuss five ways in which consumers are protected in Kenya. (10 marks)

END