Student's Assessment Number.....

THE UNITED REPUBLIC OF TANZANIA
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA
FORM TWO NATIONAL ASSESSMENT

061 **COMMERCE**

Time: 2:30 Hours **Year: 2024**

Instructions

1. This paper consists of sections A, B and C with a total of **ten (10)** questions.
2. Answer **all** questions in the spaces provided.
3. Section A and C carries **fifteen (15)** marks each and section B carries **seventy (70)** marks.
4. All writing must be in **blue** or **black** ink, except drawings which must be in pencil.
5. Communication devices, calculators and any unauthorised materials are **not** allowed in the assessment room.
6. Write your **Assessment Number** at the top right hand corner of every page.

FOR ASSESSOR'S USE ONLY		
QUESTION NUMBER	SCORE	ASSESSOR'S INITIALS
1		
2		
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TOTAL		
CHECKER'S INITIALS		

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SECTION A (15 Marks)

Answer **all** questions in this section.

1. For each of the items (i) – (x), choose the correct answer from the given alternatives and write its letter in the box provided.

(i) The following are the factors to be considered when choosing a mode of transport **except**.

A the value of goods to be transported.
B the cost of insurance to cover in case of risk.
C the distance from one place to another.
D the cost of a mode of transport.

(ii) At the end of accounting period on 31st December 2019, H.H. Company Ltd closed its business operation for six hours to allow the storekeeper to check the quantities of stock held in warehouse. Which function of stock administration did the company conduct?

A Stock issuing
B Stock levels
C Stock valuation
D Stock taking

(iii) Which one is an example of joint supply?

A Car and petrol
B Cotton and clothes
C Milk and butter
D Tea leaves and sugar

(iv) Which feature distinguishes consumer co-operative societies from producer co-operative societies?

A They sell varieties of products and services
B They provide storage facilities to farmers
C They provide transport to collect and deliver goods to the market
D They supply goods at low price to its members

(v) Which one is an example of an extrinsic motivation to an entrepreneur of a soft drink industry in Tanzania?

A Respect
B Responsibility
C Leaves
D Participation

(vi) Under which category of production do Nyaweye Furniture Traders that deal with production of school and office furniture for exchange belongs?

A Indirect production
B Tertiary level of production
C Direct production
D Secondary level of production

2. Match the descriptions of forms of trade in **List A** with their relevant forms of trade in **List B** by writing the letter of the correct response beside the corresponding item number in the table provided.

List A	List B
(i) The form of a trade that involves the exchange of goods and services within the boundaries of a particular country.	A Barter trade
(ii) The form of a trade that involves the exchange of goods and services between two or more countries.	B Export trade
(iii) The form of a trade that involves buying of goods and services from other countries.	C Foreign trade
(iv) The form of a trade that involves the buying of goods and services in large quantities from producers and reselling them in small quantities to the retailers.	D Home trade
(v) The form of a trade that involves the selling of goods and services to other countries.	E Import trade
	F Retail trade
	G Wholesale trade

10)

Answer

List A	(i)	(ii)	(iii)	(iv)	(v)
List B					

SECTION B (70 Marks)

Answer **all** questions in this section.

3. Auxiliary services facilitate production of goods and services. Using five points, briefly validate this statement.

(i) .....

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(vii) Why is it necessary for the business to advertise its products?

A To inform the customers about the quantity of goods available for sale
B To let customers understand the cost of production
C To create customer's awareness about the products
D To create producer's awareness about the products produced

(viii) One of the retailer use abusive language to his customers in such a way that most of them stopped from buying his goods. Which quality of a good retailer is he lacking?

A Honesty to customers
B Pleasant to customers
C Good administrator
D Forecasting customer's demand

(ix) Which one of the factors is to be held constant so as to make shift in demand of a particular commodity?

A Price of a commodity
B Consumers' income
C Population size
D Taste and preferences

(x) Mayala is an entrepreneur who has decided to dedicate and sacrifice his time, money and energy in order to succeed in his business. Which one of the attributes of a successful entrepreneur is shown by Mayala?

A Innovativeness
B Commitment
C Perseverance
D Calculated risk taking

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(ii) .....

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(iii) .....

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(iv) .....

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(v) .....

4. Brief explain five benefits of entrepreneurship.

(i) .....

(ii) .....

(iii) .....

(iv) .....

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(v) .....

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6. Briefly explain the following concepts in relation to commerce:

(a) Utility

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(b) Semi-skilled labour

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(iv) .....

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(v) .....

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5. Briefly explain five types of wholesalers.

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(ii) .....

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(iii) .....

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(c) Extractive industries

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(d) Fixed cost

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(e) Tertiary level of production

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Briefly explain the functions performed by entrepreneurs. Give five points.

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(ii) .....

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(iii) .....

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(iv) .....

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8. Zam zam Trader buys goods for TZS 420,000/=. The business wishes to make a gross profit of 20% on sales. Its business expense is 60% of gross profit. Calculate the following items for Zam zam Traders:

(a) Selling price

(b) Gross profit

(c) Markup percentage

(d) Expenses

(e) Net profit

9. Briefly explain five advantages of water transport when compared to road transport.

(i) .....

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(ii) .....

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(iii) .....

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(iv) .....

(v) .....

SECTION C (15 Marks)

Answer question **ten (10)**.

Explain five factors for the increase in supply of the product in the market.