*Student's Assessment Number*_____

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

061 **COMMERCE**

Duration: 2:30 Hours Year: 2025

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		
3		
4		
5		
6		
7		
8		
9		
10		
TOTAL		
CHECKER'S INITIALS		

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SECTION A (15 Marks)

Answer **all** questions in this section

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

(i) Which one represents the correct levels of stock in warehouse?

A Minimum, average, maximum and order point
B Average, minimum, receiving and stock taking
C Maximum, order point, average and opening stock
D Average, minimum, closing stock and order point

(ii) At the end of her teaching contract in Dubai, Madam Maua decided to transport her properties from Dubai to Zanzibar. Which one of the documents must be used as a contract of transport between the ship owner and Madam Maua?

A Freight note
B Charter bill
C Charter party
D Dock warrant

(iii) Kikanje Secondary School employed three computer teachers during holiday time. In which stage of production do the services provided by those teachers be categorised?

A Primary production
B Secondary production
C Direct production
D Tertiary production

(iv) There is a high demand for cotton in the market due to excessive customer's demand for clothes. Which type of demand explains this situation?

A Competitive demand
B Joint demand
C Derived demand
D Composite demand

(v) Why is it important for employers to motivate employees in an organisation?

A To enable employees to work dependently
B To encourage absenteeism among the employees
C To increase efficiency of the employees
D To enable employer to increase supervison to employee

(vi) Zarat is one of Mama Mkulima agent who sells onions in her possession and under her control on behalf of Mama Mkulima. In which category of agent do Zarat be placed?

A Auctioneers
B Factors
C Broker
D Del credere

(vii) Which one presents the main branches of commerce?

A Home trade and foreign trade
B Import trade and export trade
C Trade and aids to trade
D Retail trade and wholesale trade

(viii) Mr. Masika wants to buy the products from department stores. Which feature would help him to identify department stores from other shops?

A They sell products of a single manufacturer only
B They use large vans to arrange and display goods for sale
C They sell different products under one roof and one management
D They sell products to customers in public places only

(ix) John is a transportation agent who is involved in the transportation of fresh fishes from Mwanza to all regions in Tanzania. In which type of utility do John's activities be placed?

A Marginal utility
B Place utility
C Possession utility
D Form utility

(x) The following are the importance of entrepreneurship **except**

A creating employment
B promotes innovations and development of products
C promotes the use of obsolete technology in production
D fosters economic development

2. Match the descriptions of concepts of demand in **List A** with the relevant concept 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 rise in demand of a commodity due to change in factors affecting demand other than the price of the commodity.	A Increase in supply
(ii) The rise in supply of a commodity due to change in factors affecting supply other than the price of the commodity.	B Change in quantity supplied
(iii) An increase or decrease in demand of a commodity due to change in other factors affecting demand other than the price of the commodity.	C Change in supply
(iv) An increase or decrease in quantity demanded of a commodity due to change in price while other factors remain the same.	D Change in quantity demanded
(v) An increase or decrease in quantity supplied of a commodity due to change in price while other factors remain constant.	E Increase in demand
	F Change in income
	G Change in demand
	H Change in price

Answers

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

SECTION B (70 Marks)

Answer **all** questions in this section.

3. Briefly explain the following terminologies in relation to commerce.
   (i) Capital goods

_____

_____

_____

_____

_____

(ii) Consumer goods

(iii) Variable cost

(iv) Fixed cost

(v) Extractive industries

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4. Being a good buyer is among the qualities a good retailer to succeed in retail trade. In five points, briefly explain other qualities that a good retailer should possess.

(i) _____

(ii) _____

(iii) _____

(iv) _____

(v) _____

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5. Briefly explain the following concepts.

(i) Retail trade

_____

_____

_____

_____

(ii) Whole sale trade

_____

_____

_____

_____

(iii) Import trade

_____

_____

_____

_____

(iv) Export trade

_____

_____

_____

_____

(v) Barter trade

_____

_____

_____

_____

6. Bill of lading is an important document in water transport. Justify by giving five points.

(i) _____

_____

_____

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(ii)

(iii)

(iv)

(v)

7. Ms Mkomazi is an entrepreneur who own a poultry farm in Mbeya region. Briefly suggest five roles that she should peform as entrepreneur.

(i)

(ii)

(iii)

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(iv) _____

_____

_____

_____

(v) _____

_____

_____

_____

8. The following table shows the information obtained from Mbuyuni market showing quantity of maize demanded by consumers and quantity of maize supplied by producers at different prices for the month of January 2025.

Price per kg (Tshs)	Demand (Kg)	Supply (Kg)
1,500	100	700
1,400	200	600
1,300	300	500
1,200	400	400
1,100	500	300
1,000	600	200
900	700	100

Required:

Using the particulars given on the table to:

(a) Draw the demand and supply curve on the same pair of axis.

(b) Interpret the nature of the two demand and supply curve in (a).

(i) Demand curve

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(ii) Supply curve

(c) From the demand and supply curves in (a), determine:

(i) Equilibrium quantity

(ii) Equilibrium price

9. (a) Briefly explain two advantages of warehousing to the customers.

(i)

(ii)

(b) The following information have been extracted from Masanzu's business records for the financial year ending 31st December 2024

Sales during the period was Tsh. 7,200,000/=

Stock at 01/01/2024 was Tsh. 1,250,000/=

Stock at 31/12/2024 was Tsh 1,650,000/=

Cost of goods sold valued at Tsh. 3,500,000/=

Use the information provided and assist Masanzu in the computation of the following stock adminstration calculations. Show all the workings.

(i) Gross profit

(ii) Average stock

(iii) Stock turn rate

SECTION C (15 Marks)

Answer question **ten (10)**.

10. "Risks in self-employment are unavoidable." By using five points, justify the validity of this statement.

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