THE UNITED REPUBLIC OF TANZANIA
NATIONAL EXAMINATIONS COUNCIL OF TANZANIA
CERTIFICATE OF SECONDARY EDUCATION EXAMINATION

061 **COMMERCE**

(For Both School and Private Candidates)

Time: 3 Hours **Year:2024**

Instructions

1. This paper consists of sections A, B and C with a total of **eleven (11)** questions.
2. Answer **all** questions in sections A and B and **two (2)** questions from section C.
3. Section A carries **sixteen (16)** marks, section B **fifty four (54)** marks and section C carries **thirty (30)** marks.
4. All writing must be in **black** or **blue** ink.
5. Communication devices and any unauthorised materials are **not** allowed in the examination room.
6. Write your **Examination Number** on every page of your answer booklet(s).

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SECTION A (16 Marks)

Answer **all** questions in this question.

1. For each of the items (i) - (x), choose the correct answer from the given alternatives and write its letter beside the item number in the answer booklet provided.

(i) The following are the roles of an entrepreneur **except**:

A Bringing together various factors of production.
B Exploiting new sources of raw materials and capital.
C Identifying opportunities.
D Assuming the uncertainty of future.
E Promoting obsolete technologies, product and service.

(ii) Which of the following are examples of direct taxes?

A Income tax, Corporate tax and Value added tax (VAT)
B Custom duty, Excise duty and Pay As You Earn (PAYE)
C Pay As You Earn (PAYE), Cooperate tax and capital gain tax
D Capital gain tax, Income tax and Sales tax
E Value Added Tax (VAT), Import duty and Property tax

(iii) Which one is an advertising media which covers a wider geographical area?

A Television B Website C Radio
D Newspapers E Outdoor publicity

(iv) Which means of transport is safe and convenient to transport petroleum?

A Air transport B Railway transport C Pipeline transport
D Containerisation E Road transport

(v) A type of supply that involves the supply of goods which are produced together is known as

A joint supply B composite supply C derived supply
D competitive supply E inelastic supply

(vi) Mrs. Maneno owned a tailoring mart. She listened to her customers' opinions and implemented those which add value to her products so as to improve the quality of her products. Which function of entrepreneur is Mrs. Maneno describing?

A Invention B Innovation C Creating
D Risk taking E Decision making

(vii) Which one is an appropriate channel for distribution of vegetable to the consumers?

A Producer → Wholesalers → Retailers → Consumers
B Producer → Retailers → Wholesalers → Consumers
C Producer → Wholesaler → Consumers
D Producer → Retailers → Consumers
E Producer → Consumers

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(viii) Mr. Kijiko is a wholesaler who buys goods in bulk from H.M Industry Co. Ltd. and resell them to the retailers in cash basis with charging a delivery services. In which type of wholesaler can Mr. Kijiko be categorised?

A General merchandise wholesaler
B Truck wholesaler
C National wide wholesaler
D Specilised wholesaler
E Cash and carry wholesaler

(ix) How can money solve the double coincidence of wants problems experienced in barter trade?

A Store of value
B Measure of value
C Medium of exchange
D Transfer of immovable assets
E Standard of deferred payments

(x) Mipango Group Limited deals with the production and distribution of fruits juices to their customers in all over the country. In which stage of production do the distribution of fruits juices falls?

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

2. Match the descriptions of the terms used in the theory of demand in **List A** with the appropriate terms in **List B** by writing the letter of the correct response besides the corresponding item number in the answer booklet provided.

List A		List B	
(i)	The movement along the demand curve due to a conversion in price.	A	Competitive demand
(ii)	The list which shows the amount of commodity that is demanded at various prices by the consumer.	B	Demand curve
(iii)	Demand for one commodity that has many uses.	C	Composite demand
(iv)	Demand for two or more goods which serve the same purposes.	D	Change in quantity demanded
(v)	Demand for a commodity due to an increase in the demand for another commodity.	E	Derived demand
(vi)	Demand for goods which are being used together.	F	Change in demand
		G	Complementary demand
		H	Demand schedule

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SECTION B (54 Marks)

Answer **all** questions in this section.

3. (a) Differentiate 'stock administrations' from 'stock valuation' as used in warehousing management.

(b) Makonge Trading Company Ltd had the following particulars as at 31st December 2021:

Sales	TZS 2,400,000
Opening stock (1st January, 2021)	TZS 1,500,000
Purchases	TZS 500,000
Gross profit	TZS 800,000
Closing stock (31st December 2021)	TZS 400,000

Calculate the;

(i) Average stock
(ii) Cost of sales
(iii) Rate of stock turn
(iv) Margin in Percentage
(v) Mark up in percentage

4. (a) Briefly explain two classes of human wants.

(b) Describe four features of human wants.

5. (a) Describe any three features of entrepreneurs.

(b) Analyze three strategies of acquiring capital by an entrepreneur.

6. (a) Differentiate the following as used in foreign trade:
(i) Visible trade from invisible trade.
(ii) Balance of trade from terms of trade.

(b) Why is it important for a country to participate in an international trade? Give four reasons.

7. (a) Show the importance of the following documents in the registration of the company:
(i) Memorandum of association
(ii) Articles of association
(iii) List of directors
(iv) Statutory declarations

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(b) Basing on the continuity of the business and the number of members, differentiate partnership from public limited companies.

8. (a) Differentiate the following as used in business management:
   (i) Organization from organization structure.
   (ii) Line organization structure from staff organization structure..

   (b) Explain any four functions of management

SECTION C (30 Marks)

Answer **two (2)** questions from this section.

9. Explain three causes of communication barriers in an organization and suggest three solutions to avoid it.

10. Analyse six entrepreneurial activities which are conducted in Tanzania.

11. In six points, explain the advantages of Indirect tax in a country like Tanzania.

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