

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

**152/2**

**COMMERCE 2**  
(For Both School and Private Candidates)

**Time: 2 Hours 30 Minutes**

**Thursday, March 17, 2005 a.m.**

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**Instructions**

1. This paper consists of sections A and B.
2. Answer *five (5)* questions, choosing at least *two (2)* questions from each section. Question number *one (1)* is compulsory.
3. All questions carry equal marks.
4. Credit will be awarded for brief and well argued answers.
5. Cellular phones are *not* allowed in the examination room.
6. Write your *Examination Number* on every page of your answer booklet(s).

This paper consists of 2 printed pages.

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## SECTION A

1. (a) State the special advantages of a private company over partnership.  
(b) List down and explain the major characteristics which differentiate a private company from a public joint stock company.
2. (a) Explain the characteristics of formal communication.  
(b) Outline the factors which the management has to consider before installing a modern telecommunication system.
3. (a) Describe the significance of banking.  
(b) Explain briefly the following:
  - (i) Automatic Teller Machines.
  - (ii) Cheque cards.
  - (iii) Banker's lien.
  - (iv) Town clearing.
4. (a) Explain the most important quality of good money.  
(b) Show how deflation can be removed in an economy of a country by means of monetary policy of the government.

## SECTION B

5. (a) How does taxation achieve social objectives.  
(b) Explain the advantages and disadvantages of direct taxation.
6. (a) How do soap producers in Tanzania benefit by advertising their products by means of radio or television?  
(b) Explain how some of the persuasive advertisements made by producers may create adverse effects to Tanzanian consumers.
7. Explain the advantages and disadvantages of horizontal filing and vertical filing systems.
8. Write short notes on the following:
  - (a) Span of control.
  - (b) Delegation of responsibility.
  - (c) Line organization.
  - (d) Principle of authority.