

*Student's Assessment Number* \_\_\_\_\_

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

061 COMMERCE

Duration: 2½ 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		
<b>TOTAL</b>		
<b>CHECKER'S INITIALS</b>		



For each of the definitions given, choose the correct answer from the given alternatives and write its letter in the box provided.

Write the letter in the box provided

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

- 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) Kikunje 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 absenteesim among the employees
- C To increase efficiency of the employees
- D To enable employer to increase supervision 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

***Student's Assessment Number:***

(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.

<b>List A</b>	<b>List B</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**

<b>List A</b>	(i)	(ii)	(iii)	(iv)	(v)
<b>List B</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

---

---

---

---

---

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) \_\_\_\_\_

---

---

---

---

---

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)

---

---

---

(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 perform as entrepreneur.

(i) \_\_\_\_\_

(ii) \_\_\_\_\_

(iii) \_\_\_\_\_

(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

---

---

---

---

---

---

**Student's Assessment Number** \_\_\_\_\_

(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 31<sup>st</sup> 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 administration 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.

*Student's Assessment Number* \_\_\_\_\_

Student's Assessment Number

*Student's Assessment Number* \_\_\_\_\_

*Student's Assessment Number* \_\_\_\_\_

Handwriting practice lines for the student's assessment number.

*Student's Assessment Number* \_\_\_\_\_

---

---