COMMERCE – FORM THREE

MID – EXAMINATION

SECTION A – 20 MAKRS

Question 1: For each of the following items (I - X) choose the correct answer and write its letter in the box provided.

i. What will be the order point of Mr. Kito it his daily sales is 500 bags of sugar, the delivery time being 15 days and minimum stock of 200 bags?

   a) 7, 700 bags   b) 3, 300 bags   c) 3, 500 bags   d) 4, 500 bags

ii. The processes through customer exchange information with the shopkeeper about the availability of rice in his shop is expressed as

   a) Transaction   b) Advertising   c) Communication   d) Retailing

iii. Why internal motivational is important to entrepreneurship

   a) It creates motivation for internal carrier development
   b) It creates completion among entrepreneurs
   c) It creates the working spirit to experts
   d) It helps to overcome the business challenge

iv. In which category does Madam KEJO be grouped if she produce green vegetables in large quantity and sells them in bulk to the retailers who will then sell them to final users?

   a) Wholesaler   b) Retailer   c) Customer   d) Producer

v. The element of commerce comprises of

   a) Home trade and Foreign Trade   b) Whole sale and Retail Trade

   c) Trade and Aids to Trade   d) Import and Export Trade

vi. Which of the following units of carriage in Transport is most suitable in carrying delicate and perishable goods over a long distance.

   a) Ships   b) Train   c) Car   d) Aero plane.

vii. Which one is an example of constructive industry?

    a) Fishing   b) Lumbering   c) Road making   d) Rod making

viii. A company plans to produce a new product. Which method of communication should be used to reach large number of customers?
    a) Creating a website to the internet
    b) Sending a circular letter to the existing customer
    c) Talking to interested people in a trade exhibition
    d) None of the above

ix. Which of the following element of communication is a pathway for the information
    a) Receiver   b) Communication Channel   c) Sender   d) Ideas

x. One of the following is not the tools of electronic communication
    a) Instagram   b) WhatsApp   c) E-mail   d) Picture or Photo

Question 2: Match the description on terms in Column A with correct terminology in column B by writing the letter of the correct response beside the items numbers in the answer booklet provided.

COLUMN A	COLUMN B
(i) This is the trade on physical goods that can be touched and seen such as television, table, and cloth.	A. Balance of trade
(ii) This is the trade when the value of visible imports is greater than the value of visible exports.	B. Balanced – balance of trade
(iii) This is the Trade on items like services, technology, consultancy, banking, insurance, health, education etc.	C. Balanced – balance of payment
	D. Visible trade
(iv) This is the trade when the value of export trade is greater than import trade	E. Unfavorable balance of trade
(v) This is the trade when the value of visible imports of a country is equal to the value of visible imports	F. Invisible trade
	G. Favorable balance of trade

SECTION B: ANSWER ALL QUESTIONS (50 MARKS)

3. The proper solution of medium of communication is important describe factors to be considered when choosing the medium of communication.

4. Kingwendu buys an article for Tsh. 40,000. He wishes to make a gross profit of 10%. His expenses are usually 30% of his gross profit. Calculate this (a) Selling price

(b) Gross profit

(c) Mark-up percentage

(d) Expenses

(e) Net profit

5. Many graduates in Tanzania are faced with unemployment problem. Suppose the government provides them with loans, capital and conducive places for business. Briefly explain the benefits those entrepreneurs could enjoy for being self-employed.

6. A good transport facility in business is regarded as blood vessels in the human body. Justify this statement with six importance of a good transport facilities in business.

7. Imagine you are in the highly populated market like Kariakoo when there are many buyers and sellers. Meanwhile you are interested to promote one of your product to your customer. Describe the barriers that might affect your means of communication.

SECTION C: ANSWER ONLY TWO QUESTIONS (30MARKS)

8. Determine the equilibrium price and the equilibrium quantity from the market schedule of demand and supply presented. Then draw its respective curves.

PRICE TSHS	100	200	300	400	500
DEMAND	2000	1000	500	200	100
SUPPLY	500	1000	1500	2000	2500

9. Mr. Masanu is a Maize producer at Mbeya farms who is unaware about warehousing. Explain to Mr. Masanu advantage and disadvantage of storing his product in warehouse.

10. a. Explain four elements of transport.

b. With six points explain why transport is very important in business.