TANZANIA HEADS OF ISLAMIC SCHOOLS COUNCIL

FORM FOUR INTER ISLAMIC MOCK EXAMINATION

COMMERCE

061 (For both School and Private Candidates)

TIME: 3 Hours **Friday, 28th August 2026 a.m.**

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 (02) questions from section C.
3. Section A carries **sixteen (16)** marks, Section B carries **fifty-four (54)** marks, and Section C carries **thirty (30)** marks.
4. All writings should be in blue or black ink, while drawings should be in pencil.
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) provided.

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SECTION A (16 Marks)

Answer **all** questions in this section

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

   (i) KALE is an entrepreneur who can connect with people and identify opportunities. How do you describe this characteristic?
   A. Flexibility
   B. Networking
   C. Hard-working
   D. Self-motivation
   E. Communication

   (ii) Ayman is a student who deals with the exchange and distribution of goods and services. Which of the following activities does he deal with?
   A. Commerce
   B. Trade
   C. Business
   D. Production
   E. Insurance

   (iii) What will result in a movement along the demand curve for a product?
   A. Expectation of a future rise in price
   B. A rise in the price of a complementary product
   C. A rise in the price of the product
   D. A successful advertising campaign for the product
   E. A rise in the price of a substitute product

   (iv) You were employed as a warehouse keeper; one of your duties was to accept deliveries of goods. Which function were you performing?
   A. Issue of stock
   B. Receiving stock
   C. Placing of stock
   D. Care of stock
   E. Stock taking

   (v) Ongoing conflicts between America and Iran force Tanzania to hire ships to transport fuel. Which of the following documents was used to settle the Agreement with the ship owner?
   A. Bill of lading
   B. Delivery note
   C. Certificate of origin
   D. Consignment note
   E. Charter party

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(vi) Most entrepreneurs in Tanzania are fighting to get more customers for their products. Despite the competition, they play an essential role in the country's development. Which among the following is true about the statement?

A. Improve the quality of products.
B. Create job opportunities.
C. Get tax relief from the government.
D. Enjoy higher profit.
E. Reduce economic development.

(vii) Assume the commerce teacher selects you to give a class presentation on small-scale retailers who do not have fixed premises. Which among the following will be included?

A. Street traders, peddlers, and tied shop sellers
B. Street vendors, roadside sellers and mobile shop sellers
C. Single shop sellers, chain stores and tied shop sellers
D. Cheap jacks, market stall traders and peddlers
E. Supermarket, roadside sellers and mobile shop traders

(viii) Assume you are a production manager of the GSM Group of Companies. You were told that one of your responsibilities is to raise your department's productivity. What does that mean?

A. Decrease the cost per unit of output
B. Decrease efficiency
C. Decrease production
D. Decrease the quality of output
E. Decrease the number of workers

(ix) A farmer buys fertiliser on credit and agrees to pay in cash after three months. Which function of money is being demonstrated?

A. Medium of exchange
B. Measure of value
C. Store of value
D. Standard of deferred payment
E. Unit of account

(x) The manager of Mlango Furniture is known for his generosity towards employees. When they make mistakes, he uses polite language to connect with them. Which aspect of effective communication is shown by him?

A. Conciseness
B. Consideration
C. Courtesy
D. Concreteness
E. Clearness

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2. Match the descriptions of the principles of insurance in **LIST A** with the correct principle in **LIST B** by writing the letter of the correct response beside the item number in the answer booklet.

LIST A		LIST B
(i)	Both insurer and insured must disclose all relevant facts before the contract is made.	A. Indemnity B. Subrogation
(ii)	The insured must have a financial benefit in the subject matter of the insurance.	C. Insurable interest D. Loss minimisation
(iii)	The insured should be compensated only for the actual loss suffered, not for profit.	E. Uberrimae fidei F. Contribution
(iv)	The insurer has the right to claim any property remaining out of loss after compensation.	G. Proximate cause H. Co-insurance
(v)	When more than one insurer covers the same risk, they share the loss proportionally.	
(vi)	An insurance claim is honoured if there is a relationship between the peril and the insurance coverage.	

SECTION B (54 Marks)

Answer **all** questions in this section

3. Bikoko works in a supermarket where he often receives harsh treatment from his employees. He decides to resign and use his accumulated savings to start his small shop. Explain three (3) benefits and three (3) costs of his decision.

4. The government collects revenue from individuals, firms, and goods and services. With the aid of a diagram, analyse three (3) systems used by the government to achieve this.

5. During company registration, Salim failed to distinguish between private and publicly owned companies. Using six (6) points, clarify the differences to him so that he may finalise the registration.

6. Tanzania has many young entrepreneurs with the potential to succeed. Evaluate any six (6) reasons why they do not reach their potential.

7. The government supports local traders by restricting the volume of imported goods and imposing additional charges on foreign products. Some economists argue that the decision harms the economy. Discuss any six (6) of them.

8. Production activity can be classified into various levels. Describe the levels and provide examples of types of industries relating to such levels.

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SECTION C (30 Marks)

Answer **two (02)** questions from this section.

9. The TUSOME SANA marketing manager gave a presentation to his department on strategies for setting competitive prices to market the company's products. Explain any six (6) points that he presented.

10. Twiga Cement Company considers the well-being of society and the environment alongside its normal business activities. Elaborate on six (6) importance of such practice.

11. Most businesspeople are unaware of the purpose of taxes to the community; they end up always complaining about higher taxes. As a tax expert, give them six (6) reasons so that they will not continue to complain.

Wabillah Tawfiiq

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