

JAMB

Commerce

Past questions

Paper Type: **Objective (PT. 6-10)**

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JAMB COMMERCE PAST QUESTIONS (PT.6)

1. Compulsory dissolution of a business can arise from _____

- A. a declaration by a court
- B. an agreement by the owners
- C. an unfavourable economic climate
- D. the termination of its life

2. A proforma invoice is not required when _____

- A. goods are sent on approval
- B. quoting for the supply of goods
- C. final prices are uncertain
- D. dealing regularly with a customer

3. Given:	₦	
Opening stock		40,000
Purchases		115,000
Closing stock		60,000
Sales		250,000

What is the cost of goods sold?

- A. ₦50,000
- B. ₦30,000

- C. ₦95,000
- D. ₦155,000

4. In the channel of distribution, which of the following sets is entirely made up of middlemen?

- A. Manufacturers, consumers and retailers
- B. Wholesalers, retailers and agents
- C. Retailers, manufacturers, and wholesalers
- D. Wholesalers, agents and consumers

Use the information below to answer question 5.

SONU Enterprises

Balance sheet as at 31/3/98

₦	₦
Capital 6000.00	Plant and 2300.00
Netprofit 2000.00	machinery
Drawings(137.50)	Motor van2000.00
Creditors1,000.00	Stock 1250.00
Accruals 187.50	Debtors 480.00
	Bank 3000.00
	Cash 20.00
<u>9050.00</u>	<u>9050.00</u>

5. What is the current ratio?

- A. 5:1
- B. 25.5:1
- C. 4:1
- D. 4.5:1

6. What is the acid ratio?

- A. 5.55:1
- B. 4.75:1
- C. 4.25:1
- D. 2.95:1

7. The conversion of raw materials into finished product creates _____

- A. form utility
- B. marginal utility
- C. time utility
- D. place utility

8. Commerce makes it possible for man to live in a _____

- A. complex and organized society
- B. simple and organized society

C. society characterized by subsistency

D. society characterized by dependency

9. The insurance principle that requires full disclosure of information on the insured is known as _____

- A. caveat empto
- B. subrogation
- C. uberrimae fidei
- D. indemnity

10. Production involves _____

- A. changing the form of goods, moulding and making, them available as needed
- B. making goods available when and where needed
- C. the assembling of all necessary parts to produce
- D. the manufacturing of goods and provision of services

11. A merchant wholesaler is referred to as _____

- A. a factor
- B. rack gobber
- C. a broker
- D. del-credere agent

12. A proforma invoice is sent to inform a buyer about the _____

- A. prices of goods
- B. quantity of goods
- C. quality of goods
- D. designation of goods

13. Capital as a factor of production can be used for _____

- A. goods that are useful in business
- B. money that is regarded as assets
- C. services that provide satisfaction
- D. input for further production

14. The agency that currently oversees the privatization and commercialization processes in Nigeria is the _____

- A. Bureau of public enterprises
- B. Nigerian stock exchange
- C. Technical committee on privatization and commercialization
- D. Securities and Exchange Commission

15. The payment made periodically in respect of an insurance policy entered into is known as _____

- A. premium
- B. surrender
- C. bond
- D. commission

16. An example of services rendered by NIPOST is _____

- A. courier
- B. electronic mail
- C. mail delivery
- D. Telephone

17. Ships that sail across the ocean and operate on scheduled time tables are _____

- A. coastal liners
- B. tramp steamer
- C. ocean liners
- D. ferries

18. Non-insurable risks include _____

- A. death
- B. marine problems
- C. damage to property
- D. gambling

19. The most important right of the employee in discharging his duties to the employer is the right to _____

- A. job securities
- B. annual leave
- C. regular enrolments
- D. working facilities

20. The most dangerous pollution is _____

- A. Air pollution
- B. water pollution
- C. Soil pollution

D. noise pollution

21. Tourism can be classified as _____

- A. visible exports
- B. invisible exports
- C. tangible imports
- D. intangible imports

22. The inputs, output and central processing units are the basic components of a _____

- A. software
- B. hardware
- C. memory
- D. printer

23. Consumers require protection against exploitation to ensure _____

- A. the sale of quality products
- B. increased aggregate demand
- C. adequate consumer awareness
- D. availability of product variety

24. The business environment that takes into cognizance the age distribution, ethnic mix and educational level of Consumer is _____

- A. cultural environment
- B. national environment
- C. demographic environment
- D. economic environment

25. An activity that involves derivation of raw materials from land and sea is _____

- A. agricultural
- B. extraction
- C. construction
- D. farming

26. The art of soap-making is an example of _____

- A. secondary occupation
- B. primary occupation
- C. construction occupation
- D. tertiary occupation

27. The central focus of commercial activities is _____

- A. pricing
- B. marketing
- C. advertising
- D. farming

28. An aid to trade associated with communication is _____

- A. insurance
- B. ware housing
- C. banking
- D. transportation

29. Which of the following can be used to differentiate skilled and unskilled labour?

- A. Available resources
- B. Education and training
- C. Salaries and wages
- D. Level of commitment

30. A doctor who attends to patients at home after his official duty is _____

- A. a direct and indirect service worker
- B. An indirect service worker
- C. A direct service worker
- D. a community developer

31. An oil exploration company is engaged in _____

- A. extractive occupation
- B. constructive occupation
- C. secondary production
- D. tertiary production

32. Services rendered to the public is provided by _____

- A. governments
- B. domestic servants
- C. professionals
- D. civil servants

33. If a customer pays within nine days of receiving goods and takes advantage of 3% off the invoice price, this is stated as _____

- A. 30; net 9/3
- B. 9/30; net 3

C. 9/27 net 30

D. 3/9; net 30

34. Which of the following is a characteristic of a bearer cheque?

- A. it is made payable to whoever presents it
- B. it is made with transverse lines
- C. it is only payable into the payee's account
- D. it is made without transverse

35. A country is said to be experiencing an unfavourable balance of trade if her _____

- A. exports exceed imports.
- B. visible exports exceed visible imports.
- C. imports and exports are equal.
- D. visible imports exceed visible exports.

36. The type of labour that makes use of physical efforts in production procession is the _____

- A. skilled labour

- B. unskilled labour
- C. white-collar job
- D. blue-collar job

37. Cooperation and friendliness are enhanced among nations through _____ inter-dependence necessitated by _____

- A. Agriculture
- B. social-cultural activities
- C. Tourism
- D. Commerce

38. One of the products of an extractive industry is _____

- A. a shoe
- B. a textile material
- C. an iron ore
- D. an air plane

39. An important feature of land is that _____

- A. is an active factor of production
- B. has elastic supply
- C. is subject to return to scale
- D. is heterogeneous in nature

40. One of the major determinants of the volume of production is _____

- A. the availability of bank
- B. the market size
- C. government policy
- D. sex distribution

CHECK YOUR ANSWERS

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JAMB COMMERCE PAST QUESTIONS (PT.7)

1. The rate where a country's exports exchange for its imports is called _____

- A. terms of payments
- B. terms of trade
- C. balance of payments
- D. balance of trade

2. The use of coin-operated machines to sell goods is a form of _____

- A. mail-order selling
- B. personal selling
- C. retailer
- D. wholesaling

3. The insurance policy which provides full cover against all risks at sea is known as _____

- A. marine voyage policy insurance
- B. marine freight insurance
- C. policy free of particular average
- D. policy with particular average

4. The practices by which an insurance company accept a very large risk and latter shares it with other insurance companies is called _____

- A. contribution
- B. indemnity
- C. subrogation
- D. re-insurance

5. A machine which enables sales without the physical presence of a sales attendant is a _____

- A. vending machine
- B. computer machine
- C. fax machine
- D. telex machine

6. What document is required when a country imposes ad valorem import duties on goods?

- A. Consular invoice
- B. A bill of lading
- C. A shipping note
- D. A mail transfer

7. A business whose owners enjoy loan facilities on the basis of personal goodwill.

- A. community bank
- B. co-operative society
- C. commercial bank
- D. thrifts society

8. Which of the following is not a veritable source of funds to a public limited liability company?

- A. advances and loans from bank
- B. government financial grants
- C. funds from the sale of shares
- D. internally generated funds

9. The term *PLC* implies that the shares are available _____

- A. publicly on the stock exchange
- B. publicly in commercial bank
- C. privately on the stock exchange
- D. to the public at the company

10. Which of these is both merit and demerit in partnership?

- A. Its unlimited nature
- B. The number of partners
- C. The withdrawal of a major of partner
- D. The bearing of risk

11. A factor necessary for siting of a warehouse is nearness to _____

- A. labour
- B. capital
- C. consumers
- D. raw materials

12. Pooling of risk in insurance means that _____

- A. two people can pool their risks to be insured
- B. compensation are paid out of a common fund
- C. insurance companies should encourage taking risks
- D. two insurance companies can buy two policies

13. Which of the following countries are members of the Lake Chad Basin Commission?

- A. Benin and Nigeria
- B. Nigeria and Mali
- C. Niger and Cameroun
- D. Chad and Benin

14. A core investor in the current phase of privatization in Nigeria is one who _____

- A. has the technical know-how of the enterprises
- B. can mobilize foreign currency equivalent to the value of enterprises
- C. will be at the core of the enterprises
- D. can afford to buy most of the shares of the enterprises

15. The process of dividing tasks into jobs and departments and delegating authority is known as _____

- A. organizing
- B. staffing
- C. leading
- D. directing

16. Communication process involves the transmission of a message over a selected channel to the _____

- A. encoder
- B. receiver
- C. audience
- D. sender

17. A transporter who had to sell perishable goods without the prior authority of the owner becomes an agent by _____

- A. estoppel
- B. conduct
- C. necessity
- D. ratification

18. Poor sewage disposal oil spill and indiscriminate refuse dumping all lead to _____

- A. land and water pollution
- B. air and water pollution
- C. land pollution
- D. water pollution

19. A major function of a Chamber of Commerce is _____

- A. promoting both home and foreign trade
- B. increasing productivity
- C. maximizing profit
- D. promoting trade in a particular

20. Which of the middle men in the channel of distribution has title to the goods he distributes?

- A. The retailer
- B. The limited wholesaler
- C. The agents
- D. The merchant wholesaler

21. A seller attracts and retains patronage by _____

- A. rendering pre-sales services
- B. enhancing sales promotion
- C. render customer service
- D. enhancing public relations

22. A bond which attracts only interest but leaves the capital unpaid is referred to as _____

- A. a redeemable bond
- B. an irredeemable bond
- C. a long-term loan
- D. a development bond

23. An announcement of a person's willingness to enter into a contract is referred to as _____

- A. consideration
- B. an acceptance
- C. a proxy
- D. an offer

24. The macro-environmental forces and trends which are a constraint on business operations are referred to as _____

- A. external factors
- B. internal factors
- C. economic factors
- D. technological factors

25. A proposed company may not be registered if _____

- A. it has no paid up capital
- B. it has no asset of its own

C. it does not put "limited" after its proposed name

D. the name conflicts with that of another

26. An example of a cartel is _____

A. EU

B. AU

C. OPEC

D. ECOWAS

27. In which of the following will the number of words used determine the cost of message sent?

A. E-mail

B. Telex

C. Telegram

D. Telephone

28. The Transmission of telephone services from one country to another is facilitated by _____

A. international facility

B. communication satellite

C. internet services

D. interconnectivity

29. After-sales service is a function usually rendered by _____

A. an entrepreneur

B. an agent

C. wholesale

D. a retailer

30. The activity which entails buying of goods in bulk and selling in small quantities to retailers is _____

A. wholesaling

B. assembling

C. retailing

D. merchandising

31. An individual that links the producer with the retailer is _____

A. a principal

B. an agent

C. an entrepreneur

D. a wholesale

32. One of the functions of a retailer is the _____

- A. breaking of bulk
- B. financing of production activities
- C. provision of credit facilities to relations
- D. provision of jobs for customers

33. The type of letters that are delivered through the normal mail or by airmail express service is referred to as _____

- A. airmail letters
- B. inland letters
- C. registered letters
- D. express letters

34. A business organization that exploits the capabilities of a member to remedy the weaknesses of another is a _____

- A. co-operative
- B. joint venture
- C. partnership
- D. nominal partnership

Use the table below to answer questions 35 and 36.

Name	Insured Amount (₹)	Actual Value (₹)	Actual Loss (₹)
Mr. N	25,000	100,000	30,000
Mr. R	30,000	120,000	40,000
Mr. P	40,000	150,000	50,000

35. If Mr. N. takes a fire insurance policy with average clause, his compensation will be _____

- A. ₹70,000
- B. ₹75,000
- C. ₹5,000
- D. ₹7,500

36. What insurance principle has Mr. R violated if he decides to overstate the actual value of his property?

- A. Uberrimae fidei
- B. Subrogation
- C. Indemnity
- D. Insurable interest

37. Insurance against burglary is an example of _____

- A. non-indemnity insurance
- B. fidelity guarantee insurance
- C. non-insurable risk
- D. indemnity insurance

38. The principle which requires the insurance company to disclose to the proposer all material facts of the risk to be covered is _____

- A. contribution
- B. subrogation
- C. proximate cause
- D. uberrimae fidei

39. The document that explains the types of shares available for sale to the public is _____

- A. an invoice
- B. an open indent
- C. a closed indent
- D. a prospectus

40. Which of the following attracts only interest but leaves the capital unpaid?

- A. A redeemable bond
- B. a long-term loan
- C. a development bond
- D. an irredeemable bond.

CHECK YOUR ANSWERS

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JAMB COMMERCE PAST QUESTIONS (PT.8)

1. Which of the following regulates and controls the activities in the Nigeria Stock Exchange?

- A. SEC
- B. BPE
- C. CBN
- D. NDIC

2. The payment made by a speculator to the buyer when he is unable to deliver stocks on the agreed date is _____

- A. backwardation
- B. Franco
- C. arbitrage
- D. contango

3. Part payments made on allotted shares by subscribers is usually the _____

- A. issued capital
- B. subscribed capital
- C. called-up capital
- D. authorized capital

4. A loan to a customer with a cheque account at a bank in which the account is allowed to go into debit is _____

- A. advance
- B. over draft
- C. commission
- D. interest

5. Money is generally acceptable for transaction due to _____

- A. the rule of the law
- B. its acceptability in the global market
- C. the legal backing
- D. the Central Bank Governor's signature

6. Trade fairs in Nigeria are organized by _____

- A. Ministry of commerce and industry
- B. chambers of commerce
- C. The federal Government

D. Manufacturer's Association of Nigeria

7. Goods and services are made available to consumers through _____

- A. the advertising agency
- B. sales promotion
- C. the channel of distribution
- D. the middle men

8. An organization which focuses on consumer satisfaction is practising _____

- A. marketing concept
- B. selling concept
- C. consumerism
- D. market segmentation

9. One of the major disadvantages of pipeline transportation is its _____

- A. high maintenance cost
- B. high cost of construction
- C. Limitation in scope

D. vulnerability to climate changes

10. The business organization that can effectively combine management with control is _____

- A. co-operation society
- B. public limited liability company
- C. private limited liability company
- D. sole proprietorship

11. An arrangement by independent firms to share the market of their products on quota basis is referred to as _____

- A. cartel
- B. syndicate
- C. trust
- D. integration

12. The warehouse that is owned and controlled by the government is a _____

- A. state warehouse
- B. wholesalers' warehouse

- C. public warehouse
- D. manufacturers' warehouse

13. In a public limited liability company, planning, is carried out by _____

- A. employees
- B. the chairman of the board
- C. shareholders
- D. manufacturers' warehouse

14. One of the major problems of a sole proprietor is sourcing for _____

- A. funds
- B. labour
- C. raw materials
- D. machineries

15. Balance of payments is made up of _____

- A. currency and capital items
- B. visible and current items
- C. visible and invisible items
- D. visible and capital items

16. The four P's of marketing are _____

- A. Price, product, property and place
- B. Product, place, process and promotion
- C. Price, production, place and property
- D. Price, product, place and promotion

17. The inter for is a system of telecommunications used for _____

- A. sending electronic messages
- B. communicating long-distance messages
- C. sending and receiving text messages
- D. communicating messages through telegrams

18. The major determinant of fire insurance premium is the _____

- A. usefulness of the property to the owner

- B. type and structure of the property to be insured
- C. extent of fixed damage anticipated
- D. owner of the property to be insured

19. Capital to a business is technically _____

- A. an asset
- B. a project
- C. a liability
- D. an expense

20. The factor which critically determines the choice of occupation is _____

- A. skill
- B. training
- C. aptitude
- D. interest

21. From which of the following source can partnerships increase their capital?

- A. Sales of shares

- B. Admission of new partners
- C. Discharge of mortgage
- D. Grants from relations

22. In Nigeria, the ministry in charge of registering trade associations is that of _____

- A. culture and tourism
- B. finance
- C. industries
- D. commerce

23. The shares of a company listed on the stock exchange for sale are referred to as _____

- A. quoted shares
- B. issue shares
- C. deferred shares
- D. registered shares

24. Charges for loans paid by commercial banks to the central bank of Nigeria are called _____

- A. Credit charges
- B. bank rates
- C. bank charges

D. interest rates

25. The act of a person employing another to enter into contract on his behalf is known as _____

- A. agency
- B. bilateral agreement
- C. business
- D. sale of goods

26. Social responsibility is the ability of organization to _____

- A. operate without disrupting the very essence of the environment
- B. tackle the socio-economic problems of its community
- C. meet the needs of its community
- D. contribute to sustaining and developing its community

27. An author's exclusive right to his published and unpublished works is known as _____

- A. constitutional right
- B. copy right

C. author right

D. patent right

28. Awarding scholarships and sponsoring sports by a business organization are examples of _____

- A. social responsibility
- B. advertising strategy
- C. marketing strategy
- D. economic responsibility

29. One way by which government reduces the repatriation of capital is through _____

- A. divestiture
- B. naturalization
- C. nationalization
- D. indigenization

30. The maximum number of shareholders in a public liability company is _____

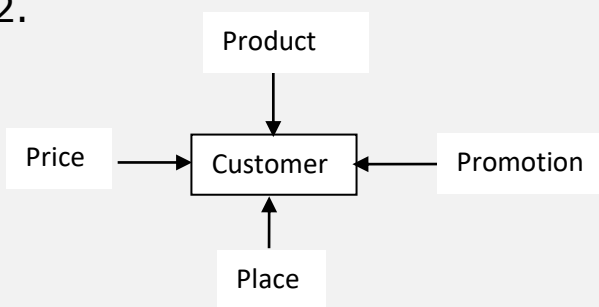
- A. one hundred
- B. unlimited

- C. fifty
- D. twenty

31. Bank overdraft as a short-term source of fund is _____

- A. a current liability
- B. an overdrawn account
- C. grade to a newly opened account
- D. repayable after more than a year

32.



The above chart represents the _____

- A. marketing mix relationship
- B. product mix relationship
- C. advertising mix relationship
- D. promotion mix relationship

33. The main documents sent to an importer of goods by the exporter are _____

- A. indent, bill of certificate of origin, invoice and bill of exchange
- B. certificate of origin, bill of exchange, invoice insurance, policy, indent and bill of lading
- C. bill of lading, invoice, insurance policy, consular invoice, certificate of origin and bill of exchange
- D. invoice, consular invoice, certificate of origin, freight note, indent and insurance policy

34. A company which issues a promissory note in lieu of payment for goods purchased _____

- A. is not bound to renew the note before payment
- B. can return the goods purchased and refuse to pay
- C. can refuse to pay on due date since it is only a promise

D. is bound to redeem the note for cash on due date

35. Insurance companies operate on the principle of indemnity. This means that an insured person or firm collects _____

A. double the value of loss suffered

B. only half of the loss suffered

C. the total sum of the premiums paid prior to the loss

36. The two main categories under which marine losses fall in to are _____

A. total loss and partial loss

B. voyage policy loss and time policy loss

C. particular loss and average loss

D. actual loss and general loss

37. Chinyere agreed to make a dress for Halima with September 20, 1995 as the delivery date. If the dress was not ready on that date, Halima could _____

A. seize another gown from Chinyere's shop

B. regard the contract between them as terminated

C. sue Chinyere for specific performance

D. sue Chinyere for damage.

38. A disadvantage of personal selling is that it _____

A. increase a company's number of customers

B. reduces a company area of patronage

C. increases a company's operating costs

D. decreases a company's operating costs

39. Which of the following has powers to order withdrawal of a particular food item from circulation?

A. Food and Drugs Department of the Federal Ministry of Health

B. Federal High Courts in Nigeria

C. Standard Organization of Nigeria

D. Local Government Health Inspectors

40. Nationalization of an industry means that its ownership becomes that of _____

A. tax payers

B. indigenes

C. government

D. shareholders

CHECK YOUR **ANSWERS**

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JAMB COMMERCE PAST QUESTIONS (PT.9)

The use of computers in modern banking industry is a reflection of _____

- A. technological development
- B. economic development
- C. competitive development
- D. scientific development

2. NACCIMA stands for _____

- A. Nigerian-American Centre for Culture, Industries, Mines and Arts
- B. Nigerian Association of Chambers of Commerce, Industries, Mines and Agriculture
- C. Nigerian Association for Culture, Civics, Industries, Minerals and Arts
- D. National Agency for Culture, Civilization, Investments, Manufacturing and Agriculture

3. Motivation is an essential element in management because it _____

- A. helps to eliminate industrial disharmony
- B. leads to the improvement of staff welfare
- C. encourages individuals to work towards achieving the organization's objectives
- D. reduces friction among employees in the process of achieving the organization's objectives

4. The direct authority of a superior over his subordinate is known as _____

- A. line authority
- B. line and staff authority
- C. staff authority
- D. lane authority

5. A minor is not permitted to enter into a valid contract because he _____

- A. is young in the eye of the law
- B. may not be able to write the contract

C. cannot pay the consideration
D. is too young to interpret the law

6. A person who is cheated in a business transaction can seek legal remedy _____

- A. regardless of the form of business organization
- B. only if the transaction is documented in a contract
- C. even if the agreement is verbal and the amount involved is large
- D. only if the business is a sole proprietorship whose owner is known

7. Which of the following documents permits an importer to inspect his goods before the arrival of the bill of lading?

- A. Import invoice
- B. Bill of exchange
- C. Bill of sight
- D. Consular invoice

8. The overriding advantage of home trade over foreign trade is _____

- A. ease in language of transaction
- B. absence of many documents
- C. accessibility of seller to buyer
- D. ease in form of payment

9. The function of a merchant wholesaler is to _____

- A. find markets for producers' finished goods
- B. bring buyers and sellers together
- C. buy in bulk, store and sell to retailers as desired
- D. possess title to the goods, store and sell to retailers

10. An invoice can be described as a _____

- A. document specifying quantity, description, prices and total value of purchases
- B. receipt containing necessary information about the goods

C. letter specifying the contractual sales of goods between two parties

D. contractual agreement for the sale of goods

11. Departmentalization is an aspect of _____

- A. directing
- B. controlling
- C. organizing
- D. planning

12. A functional organizational structure is where _____

- A. activities of similar nature are grouped together
- B. staff performing the same functions are grouped together
- C. departments performing similar functions are grouped together
- D. staff performing similar functions are grouped together

13. The mode of transporting crude oil to the ports for export purposes is by _____

A. road

B. pipeline

C. tanker

D. rail

14. The temporary insurance certificate issued to the insured before drawing up a policy is a _____

- A. testimonial
- B. cover note
- C. time policy
- D. proposal form

15. A type of long-term loan granted to companies with fixed interest as well as with redeemable and irredeemable features is referred to as _____

- A. an overdraft
- B. a term loan
- C. a debenture
- D. a bond

16. Public debt management is one of the functions of a _____

- A. Development bank
- B. Merchant bank
- C. Central bank
- D. Commercial bank

17. The strategy adopted by a firm that ceases to operate at one or more locations because of inactivity is _____

- A. focus
- B. diversification
- C. rejuvenation
- D. consolidation

18. A written partnership contract is known as _____

- A. a deed
- B. an invoice
- C. a proposal
- D. a prospectus

19. To increase the supply of money in a country, the central bank has to _____

- A. call on special deposits
- B. raise cash ratio

C. cash ratio

D. sell securities in the open market

20. A good financial instrument which serves as a hedge against inflation is _____

- A. a warrant
- B. a bond
- C. a share
- D. an option

21. The major types of warehouses are _____

- A. bonded, public, coldroom and private
- B. manufacturer, bonded, departmental and private
- C. wholesaler, manufacturer, public and bonded
- D. manufacturer, bonded, public and departmental

22. The Customs and Excise Department is responsible for the collection of _____

- A. royalties
- B. taxes
- C. tariffs
- D. charges

23. Which of the following requires payment into the payee's account?

- A. Certified cheque
- B. Traveller's cheque
- C. Crossed cheque
- D. Open cheque

24. The traditional way of paying cooperative dividend is to distribute profit in proportion to members' _____

- A. contributions
- B. total savings
- C. subscriptions
- D. volume of purchases

25. The practice whereby government relinquishes its ownership interest in a public enterprises in _____

- A. nationalization
- B. privatization
- C. commercialization
- D. indigenization

26. A factor in a business environment which increases the rate of product obsolescence is _____

- A. political
- B. legal
- C. technology
- D. economic

27. A customer with XYZ Plc sent money through his account to his sister's account in another branch. This is an example of _____

- A. e-business
- B. e-banking
- C. e-commerce
- D. e-finance

28. The economic environment of a business is concerned with _____

- A. changing values
- B. the interest rate
- C. climatic conditions
- D. the growth rate

29. In e-banking, ATM means _____

- A. Authentic Teller Machine
- B. All-purpose Teller Machine
- C. Automatic Teller Machine
- D. Automated Teller Machine

30. One way by which a business can discharge its social responsibility to its community is to _____

- A. award scholarship to staff children
- B. build public health centres
- C. hold monthly meetings of its customers
- D. build houses for its executives

31. The variety of goods and services which a company offers for sale is its _____

- A. place mix
- B. price mix
- C. product mix
- D. promotion mix

32. Activities undertaken to create awareness for goods by conducting contests is _____

- A. marketing concept
- B. sales promotion
- C. marketing mix
- D. consumerism

33. Modern means of payment is greatly facilitated by _____

- A. credit transfer
- B. e-banking
- C. e-commerce
- D. paper money

34. The provision of quality and safe products which guarantee the health of consumers is an example of _____

- A. civic responsibility
- B. social responsibility

C. quality control

D. price control

35. Which of the following is used as a pricing policy?

A. Market skimming

B. Market selection

C. Packaging

D. Labelling

36. The essential utility derived from the use of a product is known as _____

A. branded benefit

B. core benefit

C. formal benefit

D. augmented benefit

37. The principle of management that emphasizes on the number of subordinates under the direct supervision of a manager is _____

A. unity of command

B. scalar

C. span of control

D. unity of direction

38. Marketing differs from selling in that, the latter only creates _____

A. place utility

B. possession utility

C. form utility

D. marginal utility

39. Which of the following computers can be used in weather forecast?

A. Analog computer

B. Digital computer

C. Hybrid computer

D. Mainframe computer

40. A Digital Versatile Disk is an example of a _____

A. file transfer protocol

B. computer storage device

C. transmission control protocol

D. microprocessor

JAMB COMMERCE PAST QUESTIONS (PT.10)

1. A distinguishing characteristic of a limited liability company is that it _____

- A. is a collection of many sole proprietors
- B. is a multiple partnership
- C. has limited resources
- D. can sue and be sued

2. Freight note is a document _____

- A. issued by a shipping company giving details of changes
- B. used by government to transport goods from one country to another
- C. used for payment for imported goods
- D. given by an importer to pay for goods at a future period

3. Which of the following are the components of commerce?

I. trading and advertising

II. warehousing and transportation

III. packing and branding

IV. Insurance and banking

- A. I and II
- B. I, II and IV
- C. II, III and IV
- D. I and III

4. Extractive industries may also be denominated as _____

- A. direct industries
- B. servicing industries
- C. indirect industries
- D. primary industries

5. A common requirement for public and private limited companies in Nigeria is that _____

- A. a shareholder cannot transfer his shares to someone else without permission from other shareholders
- B. shares cannot be offered or sale on the stock exchange

C. their annual accounts are made available to the corporate affairs commission

D. shares can be offered for sale through an issuing house

6. Mr. Olatunde took up a fire insurance on a property valued at ₦1000 and the amount insured is ₦80. The property caught fire causing a loss of ₦400. If the insurance was taken with the clause "with average", what is the amount to be paid by the insurance company?

A. ₦420

B. ₦320

C. ₦460

D. ₦560

7. One major characteristics of credit unions and thrift societies is that _____

A. the contribution of every member depends on the member's ability

B. the legal processes involved in their formation are rigid

C. membership is compulsory to people in the same line of business

D. a minimum of ten people in the same line of business can form the union

8. An author's exclusive right to his published and unpublished works is known as _____

A. constitutional right

B. author's right

C. copyright

D. patent right

9. The management function that makes the difference in intensity of behaviour is _____

A. controlling

B. motivation

C. coordinating

D. planning

10. Charges for loans paid by commercial banks to the Central Bank of Nigeria are called _____

- A. credit charges
- B. interest rates
- C. bank charges
- D. bank rates

11. The difference between personal selling and sales promotion is that while sales promotion includes free gifts and samples, personal selling involves _____

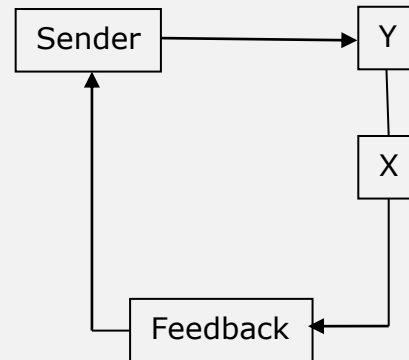
- A. face-to face communication with customers
- B. distributing instructional posters
- C. premium programming for customers
- D. publishing promotional booklets

12. One of the disadvantages of sole proprietorship is _____

- A. limited liability

- B. pride of ownership
- C. unlimited liability
- D. secrecy of annual reports

Use the diagram below to answer questions 13 and 14



13. X represents _____

- A. action
- B. receiver
- C. transmission
- D. ideation

14. In the communication process, Y represents _____

- A. the encoder
- B. the initiator
- C. noise
- D. the medium

15. One of the functions of the Nigeria Ports Authority is the provision of _____

- A. carrier services to ensure speedy delivery
- B. facilities to enhance the speedy loading and offloading of cargoes
- C. facilities to ensure that goods get to the destinations
- D. shelter for operators of cargoes

16. The scope of economic activities can be enlarged by _____

- A. transportation and trading
- B. trading and aids to trade
- C. business and its promotion
- D. insurance and banking

17. Given:

- I. shoe maker*
- II. policemen*
- III. fishermen*
- IV. Gardener*
- V. Broker*

The persons engaged in primary occupation are _____

- A. I, II and V
- B. I, III and IV
- C. III and V
- D. III and IV

18. Ships used for international transport are _____

- A. oceanliners
- B. yachts
- C. launchers
- D. trawlers

19. The process of eliminating a virus from a computer is the _____

- A. programming
- B. formatting
- C. looping
- D. debugging

20. A customer with ABC Plc sent money through his account to his sister's account in another branch. This is an example of _____

- A. e-business
- B. e-commerce
- C. e-banking
- D. e-finance

21. One of the merits of television as a medium of advertising is that it _____

- A. is prone to censorship
- B. is relatively cheap
- C. has more network coverage
- D. has more sensory stimulation

22. The central working system of a computer used for data processing in the _____

- A. monitor
- B. floppy disk drive
- C. hard drive
- D. memory unit

23. An example of a computer operating system is _____

- A. the PageMaker
- B. Windows 2000
- C. Microsoft Word 2000

D. The Word Perfect

24. The arrangement and interrelationship of the various components and positions of a business is referred to as _____

- A. line structure
- B. unity of direction
- C. organisational structure
- D. clarity of objective

25. Given:

	₦
<i>Opening Stock</i>	<i>1,800</i>
<i>Purchases</i>	<i>2,800</i>
<i>Sales</i>	<i>8,000</i>
<i>Closing stock</i>	<i>350</i>
<i>Carriage on sales</i>	<i>500</i>

Calculate the value of the unused stock.

- A. ₦800
- B. ₦500
- C. ₦320
- D. ₦350

26. Modern means of payment is greatly facilitated by _____

- A. e-banking
- B. paper money
- C. credit transfer
- D. e-commerce

27. A country is said to be experiencing an unfavourable balance of trade if her _____

- A. exports exceed imports
- B. visible imports exceeds visible exports
- C. visible exports exceed visible imports
- D. imports and exports are equal

28. An undertaking given by a person to another assuring his integrity is _____

- A. proximate cause
- B. insurable interest
- C. fidelity guarantee
- D. subrogation

29. The principle of management that emphasizes on the number of subordinates under the direct supervision of a manager is _____

- A. unity of command
- B. scalar chain
- C. unity of direction
- D. span of control

30. Mr. Taju entered into a contract to let a car to Mr. Funbi for his wedding for two days. However, the car had an accident before the first day. Mr. Funbi attempted to claim damages but failed. This implies that the contract was terminated by _____

- A. bankruptcy
- B. breach
- C. lapse of time
- D. frustration

31. Given:

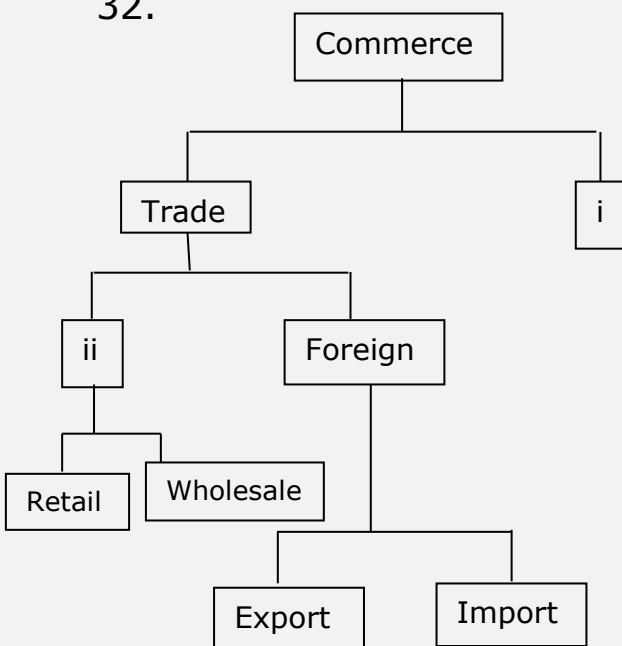
	₦
<i>Sales</i>	<i>15,000</i>
<i>Opening stock</i>	<i>5,600</i>
<i>Purchases</i>	<i>9,700</i>

<i>Closing stock</i>	<i>4,400</i>
<i>Gross profit</i>	<i>4,500</i>
<i>Net profit</i>	<i>2,000</i>

From the above data, calculate the rate of turnover.

- A. 2.00 times
- B. 3.50 times
- C. 2.18 times
- D. 2.00 times

32.



From the diagram above, what does I stand for?

- A. aids to trade
- B. home trade
- C. publicity

D. advertising

33. The agency that currently oversees the privatization and commercialization processes in Nigeria is the _____

- A. Nigerian Stock Exchange
- B. Technical Committee on Privatization and Commercialization
- C. Securities and exchange Commission
- D. Bureau of public enterprises

34. A doctor who attends to patients at home after his official duty is _____

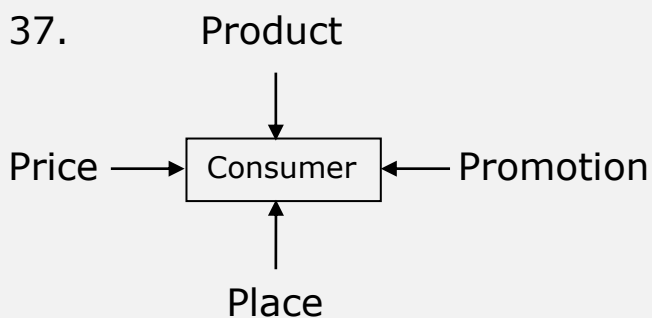
- A. a direct and indirect service worker
- B. a direct service worker
- C. an indirect service worker
- D. a community developer

35. The process of dividing tasks into jobs and departments and delegating authority is known as _____

- A. directing
- B. leading
- C. organizing
- D. staffing

36. Which of the following attracts only interest but leaves the capital unpaid?

- A. uberrimae fidei
- B. subrogation
- C. contribution
- D. redeemable bond



The above chart represents the _____

- A. promotion mix relationship
- B. marketing mix relationship
- C. advertising mix relationship
- D. product mix relationship

38. The main documents sent to an importer of goods by the exporter are _____

- A. bill of lading, invoice, insurance policy, consular invoice, certificate of origin and bill of exchange
- B. indent, bill of lading, certificate of origin invoice and bill of exchange
- C. certificate of origin, bill of exchange, invoice, insurance policy, indent and bill of lading
- D. invoice, consular invoice, certificate of origin, freight note, indent and insurance policy

9. NACCIMA stands for _____

- A. Nigerian American Centre for Culture, Industries, Mines and Arts
- B. Nigerian Association for Culture, Civics, Industries, Minerals and Arts
- C. National Agency for Culture, Civilization, Investments, Manufacturing and Agriculture

D. Nigeria Association of Chambers of Commerce, Industries, Mines and Agriculture

40. The strategy adopted by a firm that ceases to operate at one or more locations because of inactivity is _____

- A. consolidation
- B. rejuvenation
- C. diversification
- D. focus

~~DISCLAIMER~~

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