

(6 pages)

Reg. No. :

**Code No. : 21074 E Sub. Code : FFCO 11/
FFPA 11/FFHO 11/
FFCR 11/FFBF 11/
FFBE 11**

**B.Com. (CBCS) DEGREE EXAMINATION,
APRIL 2026.**

First Semester

**Commerce / Professional Accounting / Honours /
Corporate Secretaryship / Banking and Finance /
Banking and E-Commerce**

**Foundation Course — FUNDAMENTALS OF
BUSINESS STUDIES**

(For those who joined in July 2024 onwards)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. Commerce mainly deals with _____.
(a) Manufacturing (b) Exchange of goods
(c) Production (d) Mining

2. The system of exchanging goods for goods is called _____.
(a) Monetary system (b) Trade system
(c) Barter system (d) Banking system
3. Book keeping mainly deals with _____.
(a) Recording transactions
(b) Manufacturing
(c) Sales promotion
(d) Production
4. Nominal accounts relate to _____.
(a) Assets
(b) Persons
(c) Income and expenses
(d) All the above
5. The main purpose of AGMARK is to _____.
(a) Promote sales
(b) Ensure quality standards
(c) Reduce price
(d) Increase tax

6. Marketing begins with the identification of customer needs and ends with _____.
(a) Production
(b) Consumer satisfaction
(c) Advertising
(d) Transport
7. One of the primary objectives of auditing is to ensure that the financial statements of a business present a _____.
(a) False report (b) True and fair view
(c) Partial report (d) Temporary report
8. Audit is conducted by _____.
(a) Auditor (b) Accountant
(c) Manager (d) Clerk
9. Income tax in India is collected by the _____.
(a) State Government
(b) Central Government
(c) Local Government
(d) Bank

Page 3 Code No. : 21074 E

10. The number used for identifying taxpayers is _____.
(a) Aadhaar (b) PAN
(c) Voter ID (d) Passport

PART B — (5 × 5 = 25 marks)

Answer ALL questions, by choosing (a) or (b).
Each answer should not exceed 250 words.

11. (a) Explain the importance of commerce in modern business.
Or
(b) Describe the hindrance of place and explain how it is removed in commerce.
12. (a) Discuss the steps involved in the double entry system.
Or
(b) Elucidate the importance of accounting in business organizations.
13. (a) Explain the factors influencing pricing decisions.
Or
(b) Discuss the importance of marketing in business success.

Page 4 Code No. : 21074 E

[P.T.O.]

14. (a) Describe the qualities required for a successful entrepreneur.

Or

- (b) Differentiate between auditing and investigation.

15. (a) Explain the exemptions available under income tax law.

Or

- (b) Describe the income tax slab rates and their significance.

PART C — (5 × 8 = 40 marks)

Answer ALL questions, by choosing (a) or (b).
Each answer should not exceed 600 words.

16. (a) Elaborate the different branches of commerce with suitable examples.

Or

- (b) Explain the scope and functions of commerce in modern economy.

17. (a) Bring out the advantages and limitations of accounting.

Or

- (b) Enumerate the different types of accounts.

18. (a) Explain the classification of advertising media.

Or

- (b) Discuss the role of standardization and grading in maintaining product quality.

19. (a) Analyze the types of entrepreneurs based on this business activities.

Or

- (b) Explain the importance of auditing in business organizations.

20. (a) Explain the canons (principles) of taxation.

Or

- (b) Describe the powers and functions of income tax authorities.