(6 pages) **Reg. No. :** ....

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

Sixth Semester

Commerce – Core

AUDITING AND CORPORATE GOVERNANCE

(For those who joined in July 2021 and 2022 only)

Time : Three hours Maximum : 75 marks

PART A — (10 × 1 = 10 marks)

Answer ALL questions.

Choose the correct answer :

1. ———— audit is conducted between the two periodical audits.

   (a) Annual (b) Partial

   (c) Interim (d) Detailed

2. ———— audit is compulsory under statute.

   (a) Statutory (b) Private

   (c) Partnership (d) Individual

3. ———— is the gradual diminution in the value of assets due to wear and tear and or lapse of time.

   (a) Depreciation (b) Fluctuation

   (c) Sudden Decreases (d) None of these

4. Auditor is liable to

   (a) His Client (b) The third Parties

   (c) The Public (d) Both (a) and (b)

5. Engagement letter and agreement serves as a contractual agreement between the ———— and the management auditor.

   (a) External auditor (b) Shareholders

   (c) Internal Auditor (d) Organisation

6. Special areas of audit includes

   (a) Cost audit

   (b) Management audit

   (c) Tax audit

   (d) All the above

7. The audit committee shall consist of minimum of ———— directors with independent directors forming a majority.

(a) three (b) five

(c) seven (d) nine

8. Corporate Governance is one of the prominent function of

(a) Board of Director

(b) Debenture holders

(c) Shareholder

(d) Management

9. Social responsibility is a

(a) Two way traffic

(b) Continuous process

(c) Regular and on going activity

(d) All the above

10. Stakeholders of business includes ————.

(a) Customer

(b) Supplier

(c) Employees

(d) All of the above

PART B — (5 × 5 = 25 marks)

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

11. (a) Define auditing. How is auditing different form accounting?

Or

(b) What do you understand by verification of assets?

12. (a) Explain the types of audit reports.

Or

(b) What are the qualities of a good report?

13. (a) Write a note on Case Study.

Or

(b) What are the recent trends in auditing?

14. (a) Define Company. Explain the features of company.

Or

(b) Explain the importance of corporate governance.

15. (a) Explain the term Ethics.

Or

(b) What are the meaning of strategic planning? State its elements.

PART C — (5 × 8 = 40 marks)

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

16. (a) Explain the general objective of auditing.

Or

(b) Explain the advantages and disadvantages of audit programme.

17. (a) Discuss the Liabilities of auditor.

Or

(b) Explain the appointment of an auditor in various situations.

18. (a) Discuss the features of Management audit.

Or

(b) Explain the differentiate between Management Audit from Financial Audit.

19. (a) Discuss Audit Committee.

Or

(b) Discuss any two theories of corporate governance.

20. (a) Enumerate the different models of CSR.

Or

(b) Discuss the social responsibility of a business.
