

63/1 (SEM-5) (CC12/DSE2A)
COMHC5126/RE5026

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(Held in 2023)

COMMERCE

Paper : COMHC5126/COMRE5026

(Auditing and Corporate Governance)

Full Marks : 80

Pass Marks : 32

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. Choose the correct answer from the following : 1×6=6

(a) A duty of an auditor to verify whether loans and advances have been properly secured or not is referred to as

(i) statutory duties

(ii) contractual duties

(iii) certain duties imposed by legal or court decision

(iv) duties arising out of professional etiquette

(2)

- (b) Audit notebook contains
- (i) various dates of reference
 - (ii) details of work done
 - (iii) notes regarding item requiring clarification, explanation, etc.
 - (iv) All of the above
- (c) Which of the following has a broader scope?
- (i) Internal control
 - (ii) Internal audit
 - (iii) Internal checking
 - (iv) None of the above
- (d) Valuation is the base of
- (i) verification
 - (ii) marketing
 - (iii) internal checking
 - (iv) vouching
- (e) The first auditor or auditors is/are appointed by the
- (i) Central Government
 - (ii) Company Law Board
 - (iii) Board of Directors
 - (iv) Shareholders
- (f) Voucher relates to
- (i) cash receipt
 - (ii) cash payment
 - (iii) credit transactions
 - (iv) All of the above

(3)

2. Answer the following questions : $2 \times 5 = 10$
- (a) Mention two objectives of an audit.
 - (b) Mention two objectives of cost audit.
 - (c) Write the features of audit report.
 - (d) Write a brief note on Indian model of corporate governance.
 - (e) Write the features of Corporate Social Responsibility (CSR).
3. Answer any six of the following questions : $5 \times 6 = 30$
- (a) Explain the basic principles of auditing.
 - (b) Write the distinction between Internal Check and Internal Audit.
 - (c) Describe the auditor's position and duty regarding verification of assets.
 - (d) Describe the provisions of the Goods and Services Act, 2017 regarding audit.
 - (e) Explain the procedure of auditor appointment and removal.
 - (f) Explain the recent trends in auditing.
 - (g) Briefly explain the elements of good corporate governance.
 - (h) What is business ethics? Write the advantages of ethical behaviour in business.

- (i) Write in brief on Corporate Social Responsibility Committee. Mention the functions of CSR committee as per the Companies Act, 2013.

4. Answer any *two* of the following questions :

10×2=20

- (a) Discuss the different classes of audit. Describe the auditor's duty regarding detection and prevention of errors and frauds.
- (b) Briefly explain the internal control process of organization.
- (c) Discuss the various contents of the auditor's report. What are the liabilities of an auditor under the Companies Act, 2013?

5. Answer any *one* of the following questions : 14

- (a) Explain the common governance problems noticed in various corporate failures. Write the eight key elements of effective corporate governance.
- (b) Describe in detail the Corporate Social Responsibility (CSR) as per the Companies Act, 2013.
