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Avinashilingam Institute for Home Science and Higher Education for Women
Deemed to be University Estd. u/s 3 of UGC Act 1956, Category 'A' by MHRD (now MoE)
Re-accredited with an 'A++' Grade by NAAC CGPA 3.65/4, Category I by UGC
Colombatore - 641 043, Tamil Nadu, India
Continuous Internal Assessment Test II – Oct 2025
SEMESTER V

Class: III UG
Major: B.COM (CS)

Time: 2 Hours
Max. Marks: 60

23BCRC11 - Compliance Management Audit and Due Diligence

Course Outcome:

CO1: Develop skills in identifying and analyzing legal texts, including statutes, regulations, and case law, and interpreting them in accordance with legal principles and rules of interpretation.

CO2: Able to analyze and evaluate the legal principles and policies underlying civil procedure.

CO3: Gain knowledge on various evidence in the legal system.

CO4: Familiarize with the concepts of law relating to Registration of documents and Indian Stamp Law.

CO5: Understand the concept and methods of cybercrime and digital signature.

Part- A

Answer all questions

(6X1=6)

1. Which of the following is NOT a type of KYC ? CO3:K2
a) Simplified KYC b) Small Account KYC c) C-KYC d) Credit Rating KYC
2. E-KYC primarily uses which technology for authentication? CO3:K2
a) Blockchain ledger b) Aadhaar-based biometric/digital verification
c) Manual verification by notary d) Credit bureau report
3. Under the Companies Act, 2013, Internal Audit is mandatory for CO4:K1
a) Every partnership firm b) Certain classes of companies as prescribed by rules
c) All sole proprietorships d) Only government departments
4. Secretarial Audit is mainly required to ensure: CO4:K1
a) Compliance with company law and other applicable laws b) Verification of financial accounts only
c) Marketing and promotional strategies d) IT systems audit
5. Due Diligence in a corporate context means: CO5:K1
a) Filing annual returns b) A comprehensive investigation and verification before a transaction
c) Promoting a company's products d) Conducting employee training programs
6. The scope of due diligence generally covers: CO5:K1
a) Financial, legal, operational, and tax aspects b) Only marketing aspects
c) Only IT systems d) Only board meeting procedures

Part-B

Answer ALL questions

(3x6=18)

7. a) List out four characteristics of EDD and briefly explain. CO3:K2
(or)
7. b) List out KYC documents acceptable in India. CO3:K1
8. a) Differentiate between internal audit and statutory audit. CO4:K2
(or)
b) Write a short note on Corporate Governance Audit and its scope. CO4:K1
9. a) Explain the scope of due diligence in brief. CO5:K1
(or)
b) Differentiate between financial due diligence and legal due diligence. CO5:K2

Part C

Answer ALL questions

(3x12=36)

10. a) Elaborate the E-KYC process and its advantages in digital banking. CO3:K2
(or)
b) Discuss the KYC requirements in regulating foreign investments and their importance. CO3:K3
CO4:K2
11. a) Explain the role of the internal audit function as seen by an external auditor. CO4:K2
(or)
b) Explain in detail the provisions of the Companies Act, 2013 regarding Internal Audit. CO5:K2
12. a) Explain the different techniques used in due diligence and risk assessment. CO5:K2
(or)
b) Explain the due diligence process in the M&A strategy. CO5:K2