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Reg. No.

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IV Semester M.Com. Degree Examination, September/October - 2024

COMMERCE

Forensic Accounting and Auditing

(CBCS Scheme)

Time : 3 Hours

Paper : 4.2

Maximum Marks : 70

SECTION - A

Answer any Seven questions out of Ten. Each question carries 2 marks. (7×2=14)

1.
 - a) Define Forensic Audit.
 - b) Mention any two purposes of forensic accounting.
 - c) Who is a whistle blower?
 - d) Give the meaning of asset misappropriation.
 - e) Name any two methods for detecting fraud.
 - f) What is phishing?
 - g) Give the meaning of Profiling Fraudsters.
 - h) Mention any two categories of financial fraud.
 - i) Mention any two techniques for organizational profiling.
 - j) Mention any two types of Revenue Recognition Fraud.

SECTION - B

Answer any Four questions out of Six. Each question carries 5 marks. (4×5=20)

2. Explain the factors that contribute to the occurrence of fraud triangle.
3. Briefly explain the techniques used by fraudsters.
4. Distinguish between forensic accounting and auditing.
5. Write brief a note on revenue recognition fraud.
6. Explain organizational profiling in brief.
7. Write a case study on any Indian company's financial fraud.

[P.T.O.]

**SECTION - C**

Answer any Two out of Four. Each question carries 12 marks.

(2×12=24)

8. Write a detailed note on Financial Fraud.
9. Explain the steps in Fraud Risk Assessment and the preventive measures.
10. Explore the various stages of forensic audit in detail.
11. Write a short note on:
 - a) Difference between forensic & internal audit
 - b) Any two types of corruption fraud.
 - c) Financial statement fraud.

(4)

(4)

(4)

SECTION - D

Answer any following question.

(1×12=12)

12. Perform a Vertical Analysis of P & G Company, Identify the red flags and explain the possible cause for deviations from the below income statement and suggest appropriate control measures:

Income Statement of P & G Ltd				
Particulars	2023 (Amount in Rs.)	%	2024(Amount in Rs.)	%
Revenue	10,00,000		9,00,000	
Cost of Goods Sold	4,00,000		4,50,000	
Gross Profit	6,00,000		4,50,000	
Operating Expenses	3,00,000		3,20,000	
Depreciation	50,000		55,000	
Operating Income(EBIT)	2,50,000		75,000	
Interest Expense	30,000		35,000	
Income Before Tax (EBT)	2,20,000		40,000	
Income Tax Expense	70,000		15,000	
Net Income	1,50,000		25,000	