CS PROFESSIONAL

COMPLIANCE MANAGEMENT, AUDIT & DUE DILIGENCE

(CMADD)

Question Paper Analysis Report – 2026

SECTION 1: CHAPTER-WISE ANALYSIS

#	Chapter / Topic Area	Marks	Questions	Frequency	Priority
1	Secretarial Audit, Compliance Management & Due Diligence	20	Q1(a), Q3(a), Q3(c), Q5(a)	HIGH	MUST PREPARE
2	Code of Conduct & Professional Ethics (ICSI)	5	Q1(a)	HIGH	MUST PREPARE
3	Risk Management & Compliance Audit	10	Q1(b), Q4(c)	HIGH	MUST PREPARE
4	Company Law - Board Meetings, Notices & Registers (Companies Act 2013)	15	Q1(d), Q2A(ii)	HIGH	MUST PREPARE
5	Annual Return Certification & UDIN	10	Q2(b), Q2(c)	MEDIUM	IMPORTANT
6	Adjudication of Offences & Special Courts (Companies Act 2013)	10	Q2(d), Q2A(i)	MEDIUM	IMPORTANT
7	Registered Office, INC-22 & Company Formation	5	Q2(a)	MEDIUM	IMPORTANT
8	Maintenance of Records - Electronic Form (Sec 120/Rule 27)	5	Q2A(ii)	MEDIUM	IMPORTANT
9	Startup Reforms & Government Initiatives	5	Q2A(iii)	LOW	PREPARE IF TIME
10	Compounding of Offences (Sec 441)	5	Q2A(iv)	LOW	PREPARE IF TIME
11	Social Audit	5	Q3(b)	LOW	PREPARE IF TIME
12	Corporate Restructuring (Mergers - Rule 25)	3	Q4(a)	LOW	PREPARE IF TIME

#	Chapter / Topic Area	Marks	Questions	Frequency	Priority
13	Audit Techniques, Quality Review & Audit Standards	18	Q4(b-e), Q5(b), Q6(a)	HIGH	MUST PREPARE
14	Due Diligence - Bank Due Diligence	5	Q6(b)	MEDIUM	IMPORTANT
15	Fraud Detection & Internal Audit Reports	10	Q6(c), Q6A(i)	MEDIUM	IMPORTANT
16	Labour Law Audit (Payment of Bonus Act 1965)	5	Q5(c)	LOW	PREPARE IF TIME
17	Document Management & File Naming Compliance	5	Q1(c)	LOW	NEW TOPIC
18	Materiality in Audit & Management Decision Appraisal	10	Q6A(ii), Q6A(iii)	MEDIUM	IMPORTANT

SECTION 2: TOPIC-WISE IMPORTANCE RANKING

S.No	Topic	Chapter	Marks Asked	Importance	Future Likely
1	Secretarial Audit – Independence, Conflict of Interest, PCS Ethics	Ch 1 & 2	5+5=10	VERY HIGH	YES
2	Risk Assessment – Inherent Risks, Legal/Financial/Reputational Effects	Ch 3	5	VERY HIGH	YES
3	Board Meeting Provisions – Limited, IFSC, Dormant Companies; Notice	Ch 4	5	VERY HIGH	YES
4	Annual Return Certification – Threshold, e-forms, Documents to Check	Ch 5	5	HIGH	YES
5	UDIN – Guidelines, Mandatory Indication, Consequences, Timelines	Ch 5	5	HIGH	YES
6	INC-22 Filing – Consequences of Non-Filing (Joy Ice Cream Case)	Ch 7	5	HIGH	YES
7	Adjudication of Offences – Concept, Genesis, Adjudicating Officer	Ch 6	5	HIGH	YES
8	Special Courts – Direct Cognizance under Sec 436	Ch 6	5	MEDIUM	POSSIBLE
9	Electronic Records Maintenance – Sec 120, Rule 27	Ch 8	5	HIGH	YES

S.No	Topic	Chapter	Marks Asked	Importance	Future Likely
10	Startup Reforms – 5 Government Initiatives (Notification Aug 19, 2025)	Ch 9	5	MEDIUM	POSSIBLE
11	Compounding of Offences – Sec 441, Authorities, Compoundable vs Non	Ch 10	5	MEDIUM	POSSIBLE
12	Conflict of Interest – PCS accepting audit of related company	Ch 1 & 2	5	VERY HIGH	YES
13	Social Audit – Minimum Issues, Social Impact Assessment	Ch 11	5	MEDIUM	POSSIBLE
14	Preconditions for Accepting Secretarial Audit Assignment	Ch 1	5	HIGH	YES
15	Mergers – Fast Track Procedure, Rule 25 Amendment (Sept 4, 2025)	Ch 12	3	MEDIUM	POSSIBLE
16	Audit Documentation – Importance and Standards	Ch 13	5	HIGH	YES
17	Quality Review – Planning, Review Strategy, Appointment of Reviewer	Ch 13	3+3=6	HIGH	YES
18	Errors & Misstatements in Financial Statements – Reasons	Ch 13	3	MEDIUM	POSSIBLE
19	Risk Assessment in Audit – Critical & High-Risk Areas	Ch 13	3	HIGH	YES
20	ICSI Auditing Standards – Any 3 of 4	Ch 13	3	HIGH	YES
21	Labour Law Audit – Payment of Bonus Act 1965	Ch 16	5	MEDIUM	POSSIBLE
22	Audit Techniques – 10 Techniques for Audit Evidence	Ch 13	5	HIGH	YES
23	Bank Due Diligence – RBI Notification, Methodology	Ch 14	5	MEDIUM	POSSIBLE
24	Fraud vs Non-Compliance – Detection and Reporting	Ch 15	5	MEDIUM	POSSIBLE
25	Internal Audit Reports – Objectives and Basic Steps	Ch 15	5	MEDIUM	POSSIBLE
26	Materiality in Audit Opinion Formation	Ch 18	5	MEDIUM	POSSIBLE
27	Appraisal of Management Decisions – Steps	Ch 18	5	MEDIUM	POSSIBLE
28	File Naming Compliance – Best Practices (Sec 128, 206)	Ch 17	5	MEDIUM	POSSIBLE

SECTION 3: TOP CHAPTERS TO PREPARE

Rank	Chapter	Key Topics to Focus	Marks Weight	Why Important
#1	**Secretarial Audit & PCS Ethics (Ch1+2)**	Independence, conflict of interest, preconditions for assignment acceptance, signing without verification, code of conduct, liabilities under CS Act 1980	**20+**	Appeared 3 times in this paper alone (Q1a, Q3a, Q3c). Most direct-marks chapter.
#2	**Audit Techniques & Quality Review (Ch 13)**	10 audit techniques, ICSI auditing standards (all 4), quality review planning, appointment of quality reviewer, audit documentation, risk identification in audit	**18+**	Most sub-questions (Q4b-e, Q5a-b, Q6a) come from this chapter. Guarantees 15-18 marks.
#3	**Board Meetings & Company Law (Ch 4)**	Board meeting frequency for limited/IFSC/dormant companies, notice requirements, shorter notice, quorum, minutes	**5+**	Always tested in Part I with 5 sub-parts. Predictable question format.
#4	**Risk Management (Ch 3)**	Types of compliance risks, inherent risk drivers (legal, financial, business, reputational), risk assessment methodology	**10+**	Tested twice this paper (Q1b, Q4c). Cross-linked with audit chapter.
#5	**Annual Return & UDIN (Ch 5)**	MGT-7 vs MGT-8, threshold for PCS certification, UDIN guidelines, timelines (same day + 60 days in exceptional cases), consequences	**10**	Both UDIN sub-questions always appear together. High scoring if prepared.
#6	**Adjudication & Special Courts (Ch 6)**	Adjudication mechanism genesis, adjudicating officer powers, Sec 436 special courts, direct cognizance, offences triable	**10**	Alternate question Q2 vs Q2A both test this chapter from different angles.
#7	**Statutory Records & INC-22 (Ch 7+8)**	INC-22 non-filing consequences, Joy Ice Cream case, Sec 120 + Rule 27 electronic maintenance, conditions for electronic records	**10**	Combines company law compliance with practical scenarios.
#8	**Due Diligence & Fraud Detection (Ch 14+15)**	Bank due diligence methodology, RBI notification, fraud vs non-compliance, internal audit report objectives, steps	**15**	Part II staple – appears as 5-mark questions in Q6 area every exam.

SECTION 4: PREDICTED FUTURE EXAM QUESTIONS

S.No	Predicted Question	Likely Marks	Basis / Rationale
1	Explain the concept of 'Independence' of a Practicing Company Secretary while conducting Secretarial Audit and the consequences of its breach under ICSI Code of Conduct.	**5**	Core ethics theme – appeared in Q1(a) variant; highly recurring

S.No	Predicted Question	Likely Marks	Basis / Rationale
2	Discuss the role and responsibilities of a Compliance Officer under various statutes. How should a compliance officer prioritize risks in a multi-law environment?	5	Risk management is tested every sitting; Q1(b) variant
3	What are the provisions relating to the appointment, tenure and removal of Secretarial Auditor? Discuss the liabilities of PCS under Companies Act, 2013 and CS Act, 1980.	5	Complements Q2(c) – penalty provisions are a recurrent theme
4	Discuss the powers and functions of the National Financial Reporting Authority (NFRA) in relation to auditing standards. How does it impact Company Secretaries?	5	Regulatory oversight – emerging trend in exam
5	Under Section 447 of the Companies Act, 2013, explain the offence of fraud, the quantum of punishment, and differentiate it from the offence of non-compliance.	5	Sec 447 links to Q6(c) fraud detection trend
6	Explain the concept of Peer Review under the ICSI framework. How does it differ from Quality Review, and what are its objectives?	5	Q4(d) & Q5(b) set up this follow-up question
7	Discuss in detail the provisions for maintenance of minutes of Board Meetings under Companies Act, 2013 and the Secretarial Standards. What are the consequences of non-maintenance?	5	Board meeting theme from Q1(d) – minutes are always paired
8	What is a Secretarial Audit Report (Form MR-3)? Discuss the format, contents, and qualifications that a PCS may include in the report.	5	Core secretarial audit topic – MR-3 not yet directly asked
9	Explain the concept of 'Whistle Blower Policy' and 'Vigil Mechanism' under the Companies Act, 2013. How does it assist in fraud detection during audit?	5	Fraud detection Q6(c) makes this a natural next question
10	Discuss the various categories of Related Party Transactions and the compliance requirements under Companies Act, 2013 and SEBI LODR Regulations.	5	Due diligence and compliance management trend – likely upcoming
11	As a Secretarial Auditor, what is your approach to auditing Corporate Social Responsibility (CSR) compliance? Discuss the provisions of Section 135.	5	Social audit Q3(b) is a stepping stone to CSR audit questions
12	Explain the provisions relating to the Investor Education and Protection Fund (IEPF) and the duties of Company Secretary in ensuring compliance.	3	Compliance management chapter; infrequently tested – due

Exam Analysis dekh liya? Ab Action Plan bhi bana lo.

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