

**AUDIT COMMITTEE AND RISK TAKING IN BANKS OF TEHRAN
STOCK EXCHANGE**

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ABSTRACT

The audit committee is one of the management mechanisms of the company, and there is little evidence regarding its role and characteristics in monitoring and managing the risk of business units. For this purpose, on the same basis, the aim of this research is to investigate the relationship between the effectiveness of the audit committee and the risk-taking of banks. In this research, the number of 14 banks admitted to the Tehran Stock Exchange has been examined in the form of combined data from 2012 to 2021. In order to test the hypotheses, panel linear and logistic nonlinear regression models were used, the findings of the research show that there is a negative and significant relationship between the effectiveness of the audit committee with the standard deviations of return on assets and the ratio of non-current facilities to total facilities. But there is no significant relationship between the effectiveness of the audit committee and the risk of bankruptcy.

KEYWORDS: *Audit Committee Effectiveness, Standard Deviations of Return on Assets, Ratio of Non-Current Facilities, Altman's Bankruptcy Risk.*

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