

B. COM
SEMESTER VI
Accounting Major 3
AUDITING- II
(100 Marks – 75 Lectures)

UNIT I: AUDIT OF LIMITED COMPANIES

(32 Marks - 30 lectures)

- **Basic and Statutory consideration in commencing the Company Audit**
- **Qualification and disqualification of company auditor**
- **Appointment and removal of an auditor**
- **Branch and joint auditors**
- **Rights/Powers and Duties of Auditor**
- **Liabilities of company Auditor with reference to case laws**
 Liabilities towards clients- Civil, Criminal and Professional
 Liabilities towards third party- Civil, Criminal and professional
- **Divisible Profit and Dividends**
- **Managerial remuneration**
- **Depreciation**
- **Audit of share capital (New issue, rights & bonus issues, sweat equity, buy back of share)**
- **Audit Committee and Corporate Governance**

UNIT II: AUDIT OF SERVICE UNITS

(20 Marks -12 lectures)

- **Audit of Banking Companies-special features of audit of Banking companies**
- **Audit of General Insurance Companies – special feature of audit of general insurance companies**
- **Educational Institutions – special features of audit of school and colleges**
- **Hotel – special features of audit of hotels**
- **Audit of Cooperative societies-Special features of audit of cooperative societies.**
- **Audit of mutual funds and stock brokers.**
- **Government audit, Local bodies and Comptroller and Auditor General and its constitutional role.**

UNIT III: Reporting and investigation

(20 Marks -15 Lectures)

A. Reporting

- **Meaning & features of audit report**
- **Types of audit reports**
- **Qualification, reasons for qualification**

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- **Notes on accounts, distinction between notes and qualifications**
- **Distinction between reports and certificates**
- **Reporting requirement under CARO-2003.**

B. INVESTIGATION:

- Investigation – Meaning and features
- Objects of investigation
- Investigation V/s Auditing
- General procedure for investigation
- Classes of investigation
- Due Diligence- concept

UNIT IV: Developments in auditing

(28 Marks-18 lectures)

- Tax Audit
- Management Audit
- Cost Audit
- Value added Tax (VAT) Audit
- Social audit
- Forensic audit
(Concepts, objectives and regulatory requirements)
- Peer review - meaning and procedure
- Sarbanes – Oxley Act, (SOX) 2002 with reference to reporting on internal control.
- Code of Ethics with special reference to the relevant provisions of The Chartered Accountants Act, 1949
- Audit under computerized information system (CIS) environment
- Special aspects of CIS Audit Environment, need for review of internal control especially procedure controls and facility controls. Approach to audit in CIS Environment, use of computers for internal and management audit purposes: audit tools, test packs, computerized audit programmes.

Note.

3. Relevant auditing standards to be covered wherever applicable
4. Syllabus will be revised on regular basis at the beginning of the year to accommodate changes made in auditing standards

Books for Study and Reference:

10. Aruna Jha, Students guide to auditing. Taxman publication New Delhi.
11. Gupta Kamal: Contemporary Auditing, Tata McGraw-Hill, New Delhi
12. Tandon B. N. Principles of Auditing: S. Chand & Co, New Delhi.
13. Pagare Dinkar: Principles & Practice of Auditing: Sultan Chand, New Delhi
14. Sharma T.R.: Auditing Principle & Problems: Sahitya Bhavan, Agra.
15. Sekhar & Sekhar: Auditing: Vikas Publishing House Ltd., New Delhi.
16. Saxena R. G. & Others: Practical Auditing: Himalaya Publishers, Mumbai.

17. **S.D Sharma: Auditing Principles, Taxman publication New Delhi**
18. **Ravinder Kumar & Virender Sharma: Auditing Principles & Practice: Prentice Hall of India, New Delhi.**

OR

B. COM
SEMESTER VI
COST AND MANAGEMENT ACCOUNTING
Major 1
(Income Tax)
(100 Marks-75 Lectures)

Objective: To provide basic conceptual & working knowledge of Income tax

Unit I – Definitions: (10 Marks – 5 Lectures)

1. Assessee
2. Assessment
3. Assessment year
4. Company
5. Income
6. Person
7. Gross Total Income
8. Previous year

Unit II – Scope of Total Income & Residential status of individuals
(10 Marks – 6 Lectures)

- a) Scope of total income
- b) Apportionment of Income between spouses governed by the Portuguese civil code.
- c) Residential status in India.

Unit III- Exemptions (10 Marks – 7 Lectures)

- 1) Agricultural Income
- 2) Receipt by a member from a HUF
- 3) Share of Profit from Partnership firm
- 4) Leave Travel Concession in India
- 5) Gratuity
- 6) Compensation received at the time of voluntary retirement
- 7) Amount received under Life Insurance Policy
- 8) House Rent Allowance
- 9) Dividends & Interest on Units.
- 10) Special allowances:
 - I. Transport allowances
 - II. Education allowances
 - III. Hostel allowances

Unit IV – Computation of Income from Salaries section 15, 16 and 17 Inclusive of allowances (exclusive of valuation of perquisites) (Practical problems)

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COST AND MANAGEMENT ACCOUNTING
Major 1**

(15 Marks – 12 Lectures)

**Unit V – Computation of Income from House Property Sections 22, 23, 24, 25 (AA), 25(B)
(only theory)**

(10 Marks – 7 Lectures)

**Unit VI- Computation of Profit & Gains of Business OR Profession (Practical problems
under section 28 to 44)**

(15 Marks – 15 Lectures)

Unit VII- Computation of Income from other sources (only theory)

Section 56, 57& 58

(10 Marks – 9 Lectures)

**Unit VIII – Permissible deductions and computation of total Income of Individuals
(Section 80C, 80CCB, 80CCC, 80D, 80E & 80 U)**

(Problems based on income from salaries and business / profession)

(20 Marks – 14 Lectures)

Books for Study and Reference:

- 1) Direct Taxes – law & Practice by Vinod K. Singhania & Kapil Singhania.**
- 2) Students Guide to Income-Tax by Vinod Singhania**
- 3) Income Tax-Law & Pratic by Dr. H.C. Meherotra.**

