

**SES's L.S. RAHEJA COLLEGE OF ARTS AND COMMERCE
(AUTONOMOUS)**



BOARD OF STUDIES: ACCOUNTANCY & FINANCE
**PROGRAMME: BACHELOR OF COMMERCE (BANKING &
INSURANCE)**
SEMESTER: III
NOMENCLATURE OF THE COURSE: ADVANCED AUDITING
NEP Vertical: Major
Credit: 4

(As Per Choice Based Credit System (under NEP 2020) with effect from the academic year 2025-26)



Programme:	Bachelor of Commerce (Banking & Insurance)
Nomenclature of the Course	Advanced Auditing
Total Marks	100 marks
Semester:	III
Academic year	2025-26

LEARNING OBJECTIVES:

- To help the students Understand the audit process for limited companies, banking companies, and insurance companies, including auditor qualifications, appointment, rights, duties, liabilities, and different types of audit reports.
- To enable students Analyze financial statement requirements and internal control systems, covering segment reporting, related party disclosures, divisible profits, dividends, and depreciation, along with verification of assets and balances.
- To enable students Evaluate audit procedures and regulatory compliance, focusing on statutory audits, branch audits, joint audits, and audits specific to banking and insurance sectors.
- To help the students Examine professional ethics and misconduct regulations, including the Chartered Accountants Act, 1949, schedules related to professional misconduct, and the inquiry process for ethical violations.
- To enable students Apply legal, accounting, and auditing standards in practice, interpreting company law provisions, management representations, and the role of auditors in ensuring transparency and compliance.

COURSE OUTCOMES:

- Learners will be able to, understand the qualifications, appointment, duties, powers, and liabilities of auditors in limited companies, along with various types of audits such as branch, joint, and special audits.
- Students will be able to, Analyze the statutory requirements for maintaining books of accounts, related party disclosures, segment reporting, and the treatment of profit, dividend, and depreciation under the Companies Act and Accounting Standards.
- Students will be able to, demonstrate the audit process of banking and insurance companies, including financial statement verification, audit reports, and internal control evaluations.
- Students will be able to, evaluate the distinction between audit reports and certificates, different types of auditor opinions, and the reporting framework for various types of companies.
- Students will be able to explain the concept of professional ethics and misconduct, including the provisions of the Chartered Accountants Act, 1949, and the process of enquiry into charges of professional misconduct.

Unit	Course Content	Andragogy	No of Lectures
1	Audit of Limited Companies Qualifications, Disqualifications, Appointment, Removal, Remuneration of Auditors, Audit Ceiling, Status, Rights, Duties and Liabilities of Auditors, Branch Audit, Joint Audit, Special Audit. Maintenance of Books of Account –	Classroom Teaching Legal provisions, Group discussion, Live case studies, Practical assignment	15

	Related Party Disclosures, Segment Reporting, Divisible Profit, Dividend and Depreciation (Companies Act, Standards on Accounting, Legal Decisions and Auditor's Responsibility), Representations by Management, Contents of Annual Report. Definition, Distinction between Report and Certificate, Types of Reports/Opinion.		
2	Audit of Banking Companies Introduction of Banking Companies, Form and Content of Financial Statements, Qualifications of Auditor, Appointment of Auditor, Remuneration of Auditor, Power of Auditor, Auditor's Report, Format of Audit Report, Long Form Audit Report, Conducting an Audit, Initial Consideration by Statutory Audit, Internal Control System, Verifications of Assets and Balances.	Presentations Legal provisions, Group discussion, Live case studies, Practical assignment	15
3	Audit of Insurance Companies Audit of Companies carrying General Insurance Business, Audit of Companies carrying Life Insurance Business, Books and Registers to be maintained, Submission of Reports and Returns, Audit of Accounts, Preparation of Audit and Internal Controls.	Presentations Legal provisions, Group discussion, Live case studies, Practical assignment	15
4	Professional Ethics and Misconduct Introduction, Meaning of Professional Ethics Meaning of Professional Misconduct, Schedules to the Chartered Accountants Act, 1949 Relating to Professional Misconduct, Enquiry into Charges of Misconduct of Chartered Accountants.	Presentations Legal provisions, Group discussion, Live case studies, Practical assignment	15

SUGGESTED READINGS

1. Auditing Principles & Practices – SK Basu
2. Sharma, T.R., Auditing Principles & Problems, Sahitya Bhavan, Agra
3. Spicer & Pegler, Practical Auditing
4. Woolf, Emile, Auditing Today
5. Basu, Sanjib Kumar, Fundamentals of Auditing, Pearson
6. Auditing Assurance Standards and Guidelines issued by IC

QUESTION PAPER PATTERN

(A) FOR CONTINUOUS EVALUATION

20 Multiple Choice Questions of 1 mark each – 20 Marks

(A-1) RUBRICS FOR CONTINUOUS EVALUATION

Sr. No.	Particulars	Marks
1	Class Test	20
2	Assignment/Project	10
3	Presentation/Viva Voce	10
	Total	40

(B) QUESTION PAPER PATTERN FOR SEMESTER END EXAMINATION

Maximum Marks: 60

Duration: 2 Hours

Question No. 1 is compulsory.

Solve any three Questions from Question Nos. 2 to 5

Question No.	Description	Total Marks
1	Theory Question	15
2	Theory Question	15
3	Theory Question	15
4	Theory Question	15
5	Short Notes: Answer any 3 out of 5 given (5 marks each)	15

Note: The theory question of 15 marks each may be split up into two smaller questions carrying 8 marks and 7 marks respectively.