COMMERCIAL LAW AND PRELIMINARIES OF AUDITING (CLPA)

CLASS-XI

Full Marks 100

Commercial Law (40 Marks)

1. Introduction (5 marks)

a) Definition of Law, b) Meaning of Commercial Law, c) Sources of Indian Commercial Law

2. Law of Contract (20 marks)

a) Definition and meaning of agreement and contract - Essential elements of a contract.

b) Offer and acceptance - Definition and meaning of offer, offerer, offeree, promise, promisor, promisee; Rules regarding offer - Definition and meaning of acceptance; Rules regarding acceptance - Methods of communication of offer and acceptance - Revocation of an offer and acceptance.

c) Consideration - Definition and meaning of consideration - Types of consideration - Rules regarding consideration - "No consideration No Contract"; Exceptions to the Rule.

d) Capacity of parties - Definition and meaning of capacity of parties - Definition and meaning of minority, The Law regarding Minor's Agreement - Definition and meaning of persons of unsound mind, effects of agreements made by persons of unsound mind - meaning of disqualified persons.

e) Free consent - Definition and meaning of free consent - coercion, undue Influence, Misrepresentation, Fraud, Mistake; meaning, Rules regarding these.

3. The law relating to Sale of Goods (15 marks)

a) Definition of Buyer, Seller; Meaning and definition of Goods, classification of Goods - Existing, Future, Contingent - Sale and Agreement to sell, difference between these two - The essential dements of a contract for the sale of goods - conditions and warranties, Implied condition and Implied Warranties - The Doctrine of Caveat Emptor

b) Transfer of ownership - when does property pass from the seller to the Buyer - Transfer of title by Non-owner.

Preliminaries of Auditing (40 Marks)

Unit-1 : Introduction to Auditing : (10 marks)

Definition of Auditing - Evolution of Auditing - Nature of Auditing - objectives of Auditing: Primary and Secondary - Importance of Auditing - Advantages of Auditing - Limitations - Relation and Differences between Accounting and Auditing - An Auditor is not an Accountant - Auditor: Professional and General Qualifications.

Unit-2 : Errors and Frauds and Auditor: (5 marks)

Errors in Accounting - Detection of Errors by Auditor - Frauds : Misappropriation and Manipulation - Detection of Frauds by Auditor - Duties of Auditor in relation to Errors and Frauds.

Unit-3 : Different Types of Audit : (15 marks)

On the basis of Law : Statutory Audit - Non-statutory Audit - Government Audit. - On the basis of Time : Continuous Audit - Periodical Audit - Interim Audit. - On the basis of scope of work : Complete Audit - Partial Audit. - Interval Audit - Advantages and Limitations of Each Type of Audit - Distinction between : Continuous Audit and Periodical Audit, Statutory Audit and Non-statutory Audit - Interval Audit and Interim Audit.

Unit-4 : Internal Control System : (10 marks)

Definition, Features, Advantages and Limitations of Internal Control System - Internal Checking System : Definition - Objectives - Advantages - Limitations - Distinctions between Internal Control System and Internal Checking System - Relevance of Interal Control System in Auditing.

PROJECT : (20 marks)

1) Imagine yourself a buyer. Write a report of the steps you should follow in case of breach of contract of Sale of Goods.
2) Visit a big Shopping Mall and prepare a report on its internal control/internal checking system.