

# LIMITED DEPARTMENTAL EXAMINATION, 2017

## COOPERATIVE OFFICERS

(ACCOUNT-I)

(With Books)

**PAPER-III**

**Time Allowed: One Hour**

**Maximum Marks: 50**

### I N S T R U C T I O N S

**DO NOT OPEN THIS QUESTION BOOKLET SEAL UNTIL YOU ARE TOLD TO DO SO**

1. Immediately after the commencement of the examination, you should check that this Test Booklet does not have any unprinted or torn or missing pages or items, etc. If so, get it replaced by a complete Test Booklet.
2. Write your Roll Number on the Test Booklet in the Box provided alongside.
3. This Test Booklet contains 100 items (questions). Each item comprises four responses (answers) written as **(a), (b), (c) and (d)**. You will select the response which you feel is correct and want to mark on the answer sheet.
4. You have to mark all your responses **ONLY** on the separate Answer Sheet provided. Also read the directions in the Answer Sheet. Fill in all the entries in the Answer Sheet correctly, failing which your Answer Sheet shall not be evaluated.
5. Count the number of questions attempted carefully and write it down in the space provided in the OMR Sheet. This has to be verified by the Invigilator before leaving.
6. After you have completed filling in all your responses on the Answer Sheet and the examination has concluded you should hand over to the Invigilator the Answer Sheet (in original). **You are permitted to take away 2<sup>nd</sup> Copy of OMR Answer Sheet and the Test Booklet.**
7. All items carry equal marks.
8. Candidature would be cancelled in case of non-compliance with any of these instructions.
9. There will be **NO PENALTY** for wrong answers.

**Question Starts:**

1. The system of central audit is confined to the offices of the Accountant s-General (Audit) located in the different \_\_\_\_\_.
  - (a) Towns ;
  - (b) Cities ;
  - (c) Districts ;
  - (d) States.
2. Local audit may be distinguished from inspection in that its purpose is to audit the initial accounts maintained in certain Government institutions and offices on the \_\_\_\_\_.
  - (a) Desk ;
  - (b) Table ;
  - (c) Allegations ;
  - (d) Spot.
3. Here the duties of audit are not confined merely to seeing whether the initial accounts are maintained in proper form or whether the financial rules are properly observed but a test audit of accounts is conducted in sufficient detail to verify the accuracy and completeness of accounts according to the prescribed \_\_\_\_\_ for the audit of expenditure and receipts of the Union and State Government.
  - (a) Rules ;
  - (b) Instructions ;
  - (c) Provisions ;
  - (d) Code.
4. The object of inspection of treasuries by an Audit Officer is to \_\_\_\_\_ the Revenue authorities in establishing a system of treasury working strictly in accordance with the prescribed rules.
  - (a) Help ;
  - (b) Guide ;
  - (c) Assist ;
  - (d) Pull up.
5. The inspecting officer sees that irregularities brought to notice at the previous inspection have been \_\_\_\_\_ and that the correct procedure is being observed in respect of all matters, the procedure relating to which was considered defective previously.
  - (a) Rectified ;
  - (b) Removed ;
  - (c) Remedied ;
  - (d) Corrected.
6. The inspecting officer does not merely confine himself to the routine audit and inspection work. He is allotted one major work or \_\_\_\_\_ minor works, whether completed or in progress, for a complete analysis and examination of these accounts since commencement.
  - (a) One ;
  - (b) Two ;
  - (c) Three ;
  - (d) Four.
7. The main purpose of the local audit is to conduct a test check of the accounts for a particular period to verify the \_\_\_\_\_ and correctness of accounts.
  - (a) True ;
  - (b) Correctness ;
  - (c) Accuracy ;
  - (d) Exact.
8. The periodicity, scope and extent of local audit of the departmental offices and offices of authorities and bodies whose audit of entrusted to the Comptroller and Auditor-General are determined by the \_\_\_\_\_.
  - (a) Government ;
  - (b) Local Authority ;
  - (c) Local Body ;
  - (d) Comptroller and Audit-General.

9. An important element of local audit is the examination of \_\_\_\_\_ and efficiency of internal control procedures.
- Adequacy ;
  - Accuracy ;
  - Correctness ;
  - Exact.
10. The initial and subsidiary accounts are examined to see that they are \_\_\_\_\_ maintained in the prescribed form; that financial rules and orders are being carried out and that adequate care and scrutiny are being exercised by the departmental officers to ensure their accuracy.
- Smoothly ;
  - Correctly ;
  - Properly ;
  - Systematically.
11. The tender documents leading to the award of a contract for a work or supply of machinery, equipment, stores, etc., the contract, the design and estimates, the project feasibility report, periodical appraisal reports of a project, cost documents, papers leading to a financial sanction or decision, etc., are \_\_\_\_\_.
- Checked ;
  - Verified ;
  - Scrutinized ;
  - Examined.
12. The pay and allowances, overtime allowance claims, children's education claims, reimbursement of tuition fees claims and T.A. Bills are \_\_\_\_\_ with reference to the local records kept in the departmental accounts offices to satisfy about the correctness of the certificates on the basis of which the claims have been drawn and to see that the rules and regulations in regulating such claims have been followed.
- Checked ;
  - Verified ;
  - Scrutinized ;
  - Examined.
13. The service books are \_\_\_\_\_ to see that (i) a service book is maintained for every non-Gazetted Government servant, (ii) entries of all events in the official career of a Government servant made in the service book and attested by the competent authority, (iii) no alternation is made in the date of birth without the sanction of competent authority; entries in the front page are re-attested every five years, (iv) annual certificate of verification of service is recorded in the service book.
- Checked ;
  - Verified ;
  - Scrutinized ;
  - Examined.
14. In the service book selected for check, the correctness of pay and \_\_\_\_\_ allowed to the Government servant from time to time for the period to which the check of service book relates, is also to be checked.
- Allowances ;
  - Grade pay ;
  - Increments ;
  - Entitlements.
15. It is also checked that no payment has been made to a Government servant beyond his attaining the age of \_\_\_\_\_ or on the expiry of term of extension of service sanctioned by competent authority.
- Retirement ;
  - Quitting service ;
  - Compulsory retirement ;
  - Superannuation.
16. A test check of the leave accounts including accounts of persons likely to retire or likely to complete \_\_\_\_\_ years of qualifying service are checked in detail.
- 10 ;
  - 15 ;
  - 20 ;
  - 30.

17. As a rule, \_\_\_\_\_ matters which, can be and have been set right on the spot or are of no consequence to the finances of Government, are not mentioned, but if a number of similar points are noticed, they are brought to notice, mentioning the type of error or irregularity with one or more instances, so that proper instructions may be issued for future guidance of the Government servants concerned.
- Trifling ;
  - Un-necessary ;
  - Useless ;
  - Contradictory.
18. Improper and irregular individual transactions are identified and cited as examples to \_\_\_\_\_ the significance of faulty practices and promote the acceptance of constructive recommendations designed to save money, avoid improper payments or other losses or promote operational efficiency.
- Show ;
  - Record ;
  - Demonstrate ;
  - Exhibit.
19. The statements and figures in relation to any defects or irregularities \_\_\_\_\_ are based on clear documentary evidence.
- Found ;
  - Detected ;
  - Noticed ;
  - Discovered.
20. Instead of quoting the rules or the order violated, the actual or possible effect of such deviation on the financial interest of Government is to be \_\_\_\_\_ clearly.
- Reported ;
  - Stated ;
  - Mentioned ;
  - Explained.
21. The Inspection Report is completed by the Inspecting Officer before the audit of the office inspected is \_\_\_\_\_ and it is not signed until the officer-in-charge of the Office (or any other officer acting on his behalf) has been given the opportunity for reading and discussing it and suggesting any omissions or modifications.
- Abandoned ;
  - Closed ;
  - Concluded ;
  - Finished.
22. The inspection report is kept as brief as possible but the points raised in it are pursued until finally \_\_\_\_\_.
- Disposed of ;
  - Closed ;
  - Perused ;
  - Settled.
23. The \_\_\_\_\_ Audit Notes does not require a reply in detail, but it is verified at a subsequent inspection that necessary action has been taken on it.
- Draft ;
  - Fair ;
  - Typed ;
  - Test.
24. Under the Audit and Accounts Order, \_\_\_\_\_, as adapted, audit of receipts accruing under Debt, Deposit and Remittance heads and of those included in the subsidiary accounts of Government \_\_\_\_\_ Commercial undertakings devolved under on the Comptroller and Auditor-General under Paragraph 13(1) of the Order and is conducted in such manner and to such an extent as may be prescribed by him.
- 1936 ;
  - 1947 ;
  - 1950 ;
  - 1955.

25. The Comptroller and Auditor-General may, with the approval of and shall if so required by, the President or the Governor of State, audit and report on the receipt of any Department of the Union or State and for this purpose the President or the Governor may, after consultation with the \_\_\_\_\_, make regulations with respect to the conduct of audit of such Department.
- Finance Minister ;
  - Finance Commission ;
  - Council of Ministers ;
  - Comptroller and Auditor-General.
26. Article \_\_\_\_\_ of the Constitution and Section 49 of the Government of Union Territory Act, lay down that the Reports of the Comptroller and Auditor-General of India relating to the accounts of the Union/Union Territories with Legislature and the States shall be submitted to the President or the Governor/Administrator, as the case may be, who shall cause them to be laid before each House of Parliament or Legislature.
- 151 ;
  - 162 ;
  - 370 ;
  - 371.
27. Article 151 of the Constitution and Section 49 of the Government of Union Territories Act, \_\_\_\_\_, thus lay on the Comptroller and Auditor-General the duty for auditing the accounts, not only of expenditure, but also of receipts of the Union / Union Territories with Legislature and the States.
- 1936 ;
  - 1947 ;
  - 1950 ;
  - 1963.
28. The detailed audit of receipts of the other major revenue earning departments like Income Tax, Excise, Sales Tax, etc., was taken up in \_\_\_\_\_.
- 1936 ;
  - 1947 ;
  - 1950 ;
  - 1960.
29. \_\_\_\_\_ are collected by the State for general purpose of the community; these do not involve any direct *quid pro quo* from the State to the tax payer.
- Revenues ;
  - Funds ;
  - Cess ;
  - Taxes.
30. \_\_\_\_\_ revenues, on the other hand, involve some *quid pro quo*; these are, generally, receipts in return for supplies and services rendered by the State and include contractual receipts like those from sales of forest produce, gross revenues of service organisations or public utilities like road transport or railways and also surpluses of State commercial enterprises.
- Gross ;
  - Other ;
  - State ;
  - Non-tax.
31. The levy and collection of a tax are regulated by substantive and procedural provisions of a \_\_\_\_\_.
- Rule ;
  - Act ;
  - Legislature ;
  - Law.
32. A tax assessment is a quasi-judicial act; a non-tax revenue is purely an administrative \_\_\_\_\_.
- Power ;
  - Action ;
  - Decision ;
  - Arrangement.

33. With the passing of the Comptroller and Audit-General's (Duties, Powers and Conditions of Service) Act, \_\_\_\_\_, the audit of all receipts is vested in the Comptroller and Auditor-General under an express provision in the Act.
- 1950 ;
  - 1955 ;
  - 1960 ;
  - 1971.
34. The Comptroller and Auditor-General now audits all tax and non-tax \_\_\_\_\_ of the Union, States and Union Territories.
- Income ;
  - Revenue ;
  - Expenditure ;
  - Receipts.
35. Interpretation of law is a judicial \_\_\_\_\_.
- Decision ;
  - Order ;
  - Announcement ;
  - Function.
36. Audit has, therefore, to be \_\_\_\_\_ mainly with regard to the statutory provisions as judicially interpreted.
- Guided ;
  - Streamlined ;
  - Enforced ;
  - Regulated ;
37. Audit may well point out cases where there is an apparent \_\_\_\_\_ or loophole in the law or where certain provisions in their actual working do not apparently bring out the true legislative intention.
- Irregularity ;
  - Lapses ;
  - Fault ;
  - Lacuna.
38. As for the rules, regulations and instructions issued by the Revenue Departments under their delegated powers, or exemptions granted by them, Audit has to see that these are issued by competent authorities after following the procedures prescribed by \_\_\_\_\_ and in accordance with the guidelines laid down in the law.
- Parliament ;
  - Legislature ;
  - Government ;
  - Law.
39. The most important function of audit is to see (1) that adequate regulations and procedure have been framed by the Revenue Department to secure an effective check on assessment, collection and proper allocation of taxes; and (2) to satisfy itself by adequate test check that such regulations and procedure are actually being \_\_\_\_\_.
- Complied with ;
  - Followed ;
  - Implemented ;
  - Carried out.
40. The Indian Audit and Accounts Department is entitled to receive a copy of an order sanctioning expenditure or a sanction which is otherwise to be enforced in audit from the authority competent to accord the \_\_\_\_\_.
- Approval ;
  - Sanction ;
  - Order ;
  - Expenditure.
41. In conducting the audit of expenditure, Audit has to see that the administrative authorities comply with the \_\_\_\_\_ conditions mentioned in the preceding paragraphs.
- Unavoidable ;
  - Compulsory ;
  - Essential ;
  - Important.

42. In conducting the audit in respect of the first three conditions mentioned in Para \_\_\_\_\_, the auditor performs quasi-judicial functions, in that he has to apply the rules and orders as they stand, irrespective of the position of the person against whom they are enforced.
- 20.2 ;
  - 20.3 ;
  - 19.1
  - 19.2.
43. The power to sanction expenditure from the Consolidated Fund and the Contingency Fund of India including the power to dispose of property and stores pertaining to the Union Government is vested by Article \_\_\_\_\_ of the Constitution in the President whose sanction, given directly or by persons to whom the necessary powers have been delegated, is necessary to all expenditure from that fund.
- 77(3) ‘
  - 162 ;
  - 166 ;
  - 311.
44. The power to sanction expenditure from the Consolidated Fund of a State and Contingency Fund of a State if such a fund is established in any State is likewise vested by Article \_\_\_\_\_ of the Constitution in the Governor of the State whose sanction given by himself or by persons to whom the necessary powers have been delegated, is required for expenditure from the Consolidated or the Contingency Fund of the State.
- 162 ;
  - 166 ;
  - 166(1) ;
  - 166(3).
45. Audit against provision of funds is directed primarily to ascertaining that the money expended has been applied to the purpose or purposes for which the Grants and Appropriations specified in the Schedule to an Appropriation Act passed under Article \_\_\_ or Article 204 of the Constitution were intended to provide and that the amount of expenditure against each grant or appropriation does not exceed the amount included in that Schedule.
- 114 ;
  - 116 ;
  - 121 ;
  - 134.
46. Expenditure in excess of the amount of a Grant or Appropriation as well as expenditure not falling within the scope or intention of any Grant or Appropriation unless regularized as laid down in article 115 or Article \_\_\_\_\_ of the Constitution, should be treated as unauthorized expenditure within the meaning of Articles 114(3) and 204(3) *ibid*.
- 205 ;
  - 206 ;
  - 207 ;
  - 208.
47. Besides watching that the total expenditure under a Grant or Appropriation does not exceed the amount of that Grant or Appropriation as specified in the Schedule to an Appropriation Act, Audit has the \_\_\_\_\_ of ensuring that the total expenditure on each of the sub-heads fixed as units of appropriation under a grant or Appropriation does not exceed the allotment thereof as modified by orders of re-appropriation passed by Competent Authority from time to time.
- Duty ;
  - Authority ;
  - Onus ;
  - Responsibility.

48. Reappropriations from one Grant or appropriation to another Grant or appropriation are not permissible, as such reappropriation will have the effect of reducing and increasing the amounts of the grants or appropriation concerned as specified in the schedule to the Appropriation Act and will thus be \_\_\_\_\_ of the provisions of the Constitution.
- (a) Violation ;
  - (b) Ultra vires ;
  - (c) Non-compliance ;
  - (d) Disrespect.
49. It has already been pointed out that commercial audit \_\_\_\_ the detection of fraud as one of its main duties.
- (a) Regards ;
  - (b) Needs ;
  - (c) Requires ;
  - (d) Emphasizes.
50. It is essential to investigate frauds carefully because \_\_\_\_\_ lessons can almost always be learnt from the.
- (a) Valuable ;
  - (b) Important ;
  - (c) Concrete ;
  - (d) Whole.

**Question Ends.**