

LUCKNOW PUBLIC COLLEGE OF PROFESSIONAL STUDIES
VINAMRA KHAND, GOMTI NAGAR, LUCKNOW

2nd INTERNAL EXAMINATION JUNE 2023

BCH - IV SEMESTER

PAPER NAME: OPERATIONS RESEARCH

Code: BCH 404

Time: 3 Hours

M.M: (14X5=70)

Note: Attempt any five questions only.

Q1)

- Define "Linear Programming". What are Decision variables?
- A company owns two flour mills viz. A and B, which have different production capacities for high, medium, and low-quality flour. The company has entered a contract to supply flour to a firm every month with at least 8, 12, and 24 quintals of high, medium, and low quality respectively. It costs the company Rs.2000 and Rs.1500 per day to run mills A and B respectively. On a day, Mill A produces 6, 2, and 4 quintals of high, medium and low-quality flour, Mill B produces 2, 4 and 12 quintals of high, medium and low-quality flour respectively. How many days per month should each mill be operated in order to meet the contract order most economically?

Q2) a) Solve the following problem graphically

Maximize $30x_1 + 40x_2$
Subject to:
 $3x_1 + 2x_2 \leq 600$
 $3x_1 + 5x_2 \leq 800$
 $5x_1 + 6x_2 \leq 1100$
 $x_1, x_2, x_3 \geq 0$

- Give features of OR. Briefly discuss technique and tools of OR

Q3) Use simplex method to solve the following problem:

Maximize
 $22x_1 + 6x_2 + 2x_3$
Subject to:
 $10x_1 + 2x_2 + x_3 \leq 100$
 $7x_1 + 3x_2 + 2x_3 \leq 72$
 $2x_1 + 4x_2 + x_3 \leq 80$
 $x_1, x_2, x_3 \geq 0$

Q4) Find the initial basic feasible solution of the following transportation problem using Vogel's approximation method

	W ₁	W ₂	W ₃	W ₄	Capacity
Factory F ₁	19	30	50	10	7
F ₂	70	30	40	60	9
F ₃	40	8	70	20	18
Requirement	5	8	7	14	34 (Total)

Q5)

- What is an Assignment Problem? Discuss its method of solution.
- Solve the following assignment problem

JOB \ MAN	A	B	C	D
1	5	3	2	8
2	7	9	2	6
3	6	4	5	7
4	5	7	7	8

Q6)

- Give features of OR. Briefly discuss technique and tools of OR.
- What is the role of decision making in OR. Explain its scope.

Q7)

- What is Game Theory? Discuss its importance to business decisions.
- Define a transportation problem. Describe the steps of all the method to obtain an initial basic feasible solution.

Q8) Reduce the following game to 2×2 game by using dominance and modified dominance property and then solve the game.

		B			
		B ₁	B ₂	B ₃	B ₄
A	A ₁	1	2	-1	2
	A ₂	3	1	2	3
	A ₃	-1	3	2	1
	A ₄	-2	2	0	-3

Q9)

- Discuss the origin and development of OR
- What is the role of decision making in OR. Explain its scope.

Q10) A firm manufactures three products A, B, and C. The profits are Rs.3, 2 and 4 respectively. The firm has two machines and required processing time in minutes for each machine on each product is given below:

		Product		
		A	B	C
Machine	X	4	3	5
	Y	2	2	4

Machine X and Y have 2000 and 1500 machine minutes respectively. The firm must manufacture 100 A's, 200 B's and 50 C's but no more than 150 A's. set up an Lp model to maximize the profit.

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INTERNAL EXAMINATION JUNE 2023

B.COM Hons-IV SEMESTER

PAPER NAME – COMPANY LAWS & SECRETARIAL PRACTICES

Code: BCH 403

Time: 3 Hours

M.M: (14X5=70)

Note: Attempt 5 questions only.

- Q.1 Explain the concept of lifting corporate veil
- Q.2 Discuss the types of companies
- Q.3 What do you understand by MOA and AOA
- Q.4 Define Prospectus
- Q.5 What do you understand by share capital, issue and forfeiture of shares.
- Q.6 Define dematerialization of shares.
- Q.7 Give merits and demerits of company law
- Q.8 Explain doctrine of ultra vires
- Q.9. Explain types of shares
- Q.10. What do you mean by meetings, notice, agenda

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**INTERNAL EXAMINATION JUNE, 2023
B.COM-IV SEMESTER
PAPER- CONTEMPRORY AUDIT
PAPER CODE- P 20**

Time: 1:30 Hours

M.M: (01X75=75)

Note: Attempt 75 questions out of 100. Each question carries 1 mark.

1. The main object of an audit is
 - a) Expression of opinion
 - b) Detection and Prevention of fraud and error
 - c) Both (a) and (b)
 - d) Depends on the type of audit.
2. The title of AAS-2 issued by Council of ICAI is
 - a) Objective and Scope of the Financial Statements
 - b) Objective and Scope of the Audit of Financial Statements
 - c) Objective and Scope of Business of an Entity
 - d) Objective and Scope of Financial Statements Audit
3. Which of the following is not true about opinion on financial statements?
 - a) The auditor should express an opinion on financial statements.
 - b) His opinion is no guarantee to future viability of business
 - c) He is responsible for detection and prevention of frauds and errors in financial statements
 - d) He should examine whether recognised accounting principle have been consistently
4. A sale of Rs. 50,000 to A was entered as a sale to B. This is an example of _
 - a) Error of omission
 - b) Error of commission
 - c) Compensating error
 - d) Error of principle
5. 'Goods sent on approval basis' have been recorded as 'Credit sales'. This is an example of
 - a) Error of principle
 - b) Error of commission
 - c) Error of omission
 - d) Error of duplication
6. Which of the following statements is not true?
 - a) Management fraud is more difficult to detect than employee fraud
 - b) Internal control system reduces the possibility of occurrence of employee fraud and management fraud
 - c) The auditor's responsibility for detection and prevention of errors and frauds is similar.
 - d) All statements are correct.
7. As per AAS-4 if auditor detects an error then –
 - a) He should inform the management.
 - b) He should communicate it to the management if it is material
 - c) The auditor should ensure financial statements are adjusted for detected errors.
 - d) Both (b) and (c)
8. Which of the following is not a limitation of audit as per AAS-4?
 - a) Objectivity of auditor's judgment
 - b) Selective testing
 - c) Persuasiveness of evidence
 - d) Limitations of internal control system.
9. How many principles are listed in AAS-1 which govern auditor's professional obligation?
 - a) Nine
 - b) Fourteen
 - c) Seven
 - d) Eight
10. Both auditing and accounting are concerned with financial statements. Which of the following
 - a) Auditing uses the theory of evidence to verify the financial information made available by Accountancy
 - b) Auditing lends credibility dimension and quality dimension to the financial statements prepared by the accountant.
 - c) Auditor should have through knowledge of accounting concepts and convention to enable him to express an opinion on financial statements
 - d) All of the above.
11. The risk of management fraud increases in the presence of :
 - a) Frequent changes in supplies
 - b) Improved internal control system
 - c) Substantial increases in sales
 - d) Management incentive system based on sales done in a quarter
12. Auditing standards differ from audit procedures in that procedures relate to
 - a) Audit assumptions
 - b) acts to be performed
 - c) quality criterion
 - d) methods of work

13. Which of the following factors likely to be identified as a fraud factor by the auditor?
- The company is planning a initial public offer of quality shares to raise additional capital for expansion.
 - Bank reconciliation statement includes deposits-in-transit.
 - Plant and machinery is sold at a loss.
 - The company has made political contributions.
14. The most difficult type of misstatement to detect fraud is based on:
- Related party purchases
 - Related party sales
 - The restatement of sales
 - Omission of a sales transaction from being recorded.
15. Which of the following statements is correct concerning the required documentation in working papers of fraud risk assessment undertaken by the auditor?
- All risk factors as mentioned in AAS-4, should be considered and documented along with response to them.
 - Document the identification of fraud risk factors along with response to them,
 - Document material fraud, risk factors and response to them.
 - No documentation in required.
16. Which of the following is the most appropriate potential reaction of the auditor to his assessment that the risk of material misstatement due to fraud is high in relation to existence of inventory?
- Visit location on surprise basis to observe test counts
 - Request inventory count at a date close to year-end
 - Vouch goods sent on approval very carefully
 - Perform analytical procedures.
17. Which of the following is not likely to be a fraud risk factor relating to management's characteristics
- Tax evasion
 - Failure to correct known weakness in internal control system
 - Adoption of conservative accounting principles
 - High management turnover
18. Professional skepticism requires that the auditor assume that management is
- reasonably honest
 - Neither honest nor dishonest
 - Not necessarily honest
 - Dishonest unless proved otherwise
19. Which of the following information should a successor auditor obtain during the inquiry of the predecessor auditor before accepting engagement?
- Information about integrity of management
 - Disagreement with management concerning auditing procedures
 - Review of internal control system.
 - Organisation structure
20. The audit engagement letter, generally, should include a reference to each of the following except
- limitations of auditing
 - responsibilities of management with respect to audit work
 - expectation of receiving a written management representation letter.
 - a description of the auditor's method of sample selection.
21. The use of an audit engagement letter is the best method of assuring the auditor will have which of the following?
- Auditor will obtain sufficient appropriate audit evidence.
 - Management representation letter
 - Access to all books, accounts and vouchers required for audit purpose
 - Cooperation from other auditors
22. The use of an audit engagement letter is the best method of documenting
- the required communication of significant deficiencies in internal control
 - significantly higher control risk than that assessed in prior audit.
 - Objective and scope of auditor's work
 - Notification of any changes in the original arrangements of the audit.
- (i) and (ii)
 - (i) and (iii)
 - (ii) and (iv)
 - (iii) and (iv)
23. An auditor who accepts an audit but does not possess the industry expertise of the business entity should
- engage experts
 - obtain knowledge of matters that relate to the nature of entity's business
 - inform management about it
 - take help of other auditors
24. The least important element in the evaluation of an audit firm's system of quality control would relate to-
- assignment of audit assistants
 - system of determining audit fees
 - consultation with experts
 - confidentiality of client's information
25. The primary purpose of establishing quality

- control policies and procedures for deciding on client evaluation is to-
- ensure adherence to generally accepted auditing standards
 - acceptance or retention of clients whose management does not lack integrity
 - ensure audit fees is charged according to the type of audit work assigned
 - all of the above
- Which of the following is not a quality control consideration on accepting a new client?
 - Availability of audit assistants with necessary skill and competence.
 - Provision of other services to the client which may impair independence
 - Predecessor auditor's advice as to whether audit fees were paid promptly
 - Review of audit work done by one partner by the other
 - An auditor obtains knowledge about a new client's business and its industry to-
 - Make constructive suggestions concerning improvements to the client's internal control system.
 - Evaluate the appropriateness of audit evidence obtained
 - Understand the events and transactions that may have an effect on client's financial statements.
 - All of the above
 - Audit of banks is an example of -
 - Statutory audit
 - Balance sheet audit
 - Concurrent audit
 - All of the above
 - Concurrent audit is a part of-
 - Internal check system
 - Continuous audit
 - Internal audit system
 - None
 - In India, balance sheet audit is synonymous to-
 - Annual audit
 - Continuous audit
 - Detailed audit
 - Statutory audit
 - Audit in depth is synonymous for-
 - Complete audit
 - Completed audit
 - Final audit
 - Detailed audit
 - Balance sheet audit includes verification of?
 - Assets
 - Liabilities
 - Income and expense accounts where appropriate
 - All of the above
 - Which of the following statements is not true about continuous audit?
 - It is conducted at regular interval
 - It may be carried out on daily basis
 - It is needed when the organization has a good internal control system
 - It is expensive
 - Which of the following is not a fact of EPA?
 - Economic audit
 - Efficiency audit
 - Expenditure audit
 - Effectiveness audit
 - The Delhi Government had constructed six bungalows for its ministers. They are lying unoccupied for last three years. This would be a matter of concern for-
 - Propriety Auditor
 - Performance Auditor
 - Financial Auditor
 - None of the above
 - Financial auditor is not concerned with propriety of business transactions. However, the exceptions to this rule are contained for audit of limited companies in_
 - Section 227 (1A) of the Companies Act, 1956
 - Section 227 (1A) and section 227(4A) of the Act
 - CARO, 2003
 - Section 227 (1A) and CARO, 2003
 - Balance sheet does not include-
 - Verification of assets and liabilities
 - Vouching of income and expense accounts related to assets and liabilities
 - Examination of adjusting and closing entries
 - Routine checks
 - Which of the following statements is not correct about materiality?
 - Materiality is a relative concept
 - Materiality judgments involve both quantitative and qualitative judgments
 - Auditor's consideration of materiality is influenced by the auditor's perception of the needs of an informed decision maker who will rely on the financial statements
 - At the planning state, the auditor considers materiality at the financial statement level only
 -the audit risk,..... the materiality and the audit effort
 - Lower, Higher, Lower
 - Lower, Lower, Higher
 - Higher, Lower, Lower
 - Lower, Higher, Higher
 - When issuing unqualified opinion, the auditor who evaluates the audit findings should be satisfied that the

- a) Amount of known misstatement is documented in working papers
 b) Estimates of the total likely misstatement is less than materiality level
 c) Estimate of the total likely misstatement is more than materiality level
 d) Estimates of the total likely misstatement cannot be made
41. In determining the level of materiality for an audit, what should not be considered?
 a) Prior year's errors
 b) The auditor's remuneration
 c) Adjusted interim financial statements
 d) Prior year's financial statements
42. Analytical procedures issued in the planning stage of an audit, generally
 a) helps to determine the nature, timing and extent of other audit procedures
 b) directs attention to potential risk areas
 c) indicates important aspects of business
 d) All of the above
43. Which of the following statements is most closely associated with analytical procedure applied at substantive stage?
 a) It helps to study relationship among balance sheet accounts
 b) It helps to discover material misstatements in the financial statements
 c) It helps to identify possible oversights
 d) It helps to accumulate evidence supporting the validity of a specific account balance
44. For all audits of financial statements made in accordance with AAS-14, the use of analytical procedures is at the discretion of the auditor in which stage?
 a) Substantive testing
 b) Planning stage
 c) Overall review stage
 d) All of the above
45. The basic assumption underlying the use of analytical procedures is :
 a) It helps the auditor to study relationship among elements of financial information
 b) Relationship among data exist and continue in the absence of known condition to the contrary
 c) Analytical procedures will not be able to detect unusual relationships
 d) None of the above.
46. What are analytical procedures?
 a) Substantive tests designed to assess control risk
 b) Substantive tests designed to evaluate the validity of management's representation letter
 c) Substantive tests designed to study relationships between financial and non-financial
 d) All of the above
47. Which of the following is not an analytical procedure?
 a) Tracing of purchases recurred in the purchase book to purchase invoices.
 b) Comparing aggregate wages paid to number of employees
 c) Comparing the actual costs with standard costs
 d) All of them are analytical procedure
48. When applying analytical procedures, an auditor could develop independent estimate of an account balance to compare it to-
 a) client's unedited account balance
 b) client's unedited account balance adjusted for trends in the industry
 c) Prior year audited balance
 d) Prior year audited balance adjusted for trends in the industry
49. What is the primary objective of analytical procedures used in the overall review stage of an audit?
 a) To help to corroborate the conclusions drawn from individual components of financial statements
 b) To reduce specific detection risk
 c) To direct attention to potential risk areas
 d) To satisfy doubts when questions arise about a client's ability to continue
50. Of the following, which is the least persuasive type of audit evidence?
 a) Bank statements obtained from the client
 b) Documents obtained by auditor from third parties directly.
 c) Carbon copies of sales invoices inspected by the auditor
 d) Computations made by the auditor
51. Which of the following statements is, generally, correct about the reliability of audit evidence?
 a) To be reliable, evidence should conclusive rather than persuasive
 b) Effective internal control system provides reliable audit evidence
 c) Evidence obtained from outside sources routed through the client
 d) All are correct.
52. In an audit of financial statements, substantive tests are audit procedures that
 a) may be eliminated for an account balance under certain conditions
 b) are designed to discover significant subsequent events
 c) will increase proportionately when the auditor decreases the assessed level of control risk
 d) may be test of transactions, test of balance and analytical procedures
53. The nature, timing and extent of substantive procedures is related to assessed level of control

- risk
- a) randomly
 - b) Disproportionately
 - c) Directly
 - d) Inversely
54. Which of the following factors is most important in determining the appropriations of audit evidence?
 - a) The reliability of audit evidence and its relevance in meeting the audit objective
 - b) The objectivity and integrity of the auditor
 - c) The quantity of audit evidence
 - d) The independence of the source of evidence
 55. When is evidential matter, generally, considered sufficient?
 - a) When it constitutes entire population
 - b) When it is enough to provide a basis for giving reasonable assurance regarding truthfulness
 - c) When it is objective and relevant
 - d) When auditor collects and evaluates it independently
 56. Which of the following is not a corroborative evidence?
 - a) Minutes of meetings
 - b) Confirmations from debtors
 - c) Information gathered by auditor through observation
 - d) Worksheet supporting consolidated financial statements
 57. Which of the following statements is not true with respect to management representations obtained as per AAS-11?
 - a) Authenticated copy of relevant minutes of meetings may be regarded as management representation
 - b) It should always be in working
 - c) It may be dated prior to the report date
 - d) It should be addressed to the auditor
 58. What would most appropriately describe the risk of incorrect rejection in terms of substantive testing?
 - a) The auditor concludes balance is materially correct when in actual fact it is not
 - b) The auditor concludes that the balance is materially misstated when in actual fact it not
 - c) The auditor has rejected an item for sample which was material
 - d) None of the above
 59. Which of the following affects audit effectiveness?
 - a) Risk of over reliance
 - b) Risk of incorrect rejection
 - c) Risk of incorrect acceptance
 - d) Both (a) and (c)
 60. What would most effectively describe the risk of incorrect acceptance in terms of substantive audit testing?
 - a) The auditor has ascertained that the balance is materially correct when in actual fact it is not
 - b) The auditor concludes the balance is materially misstated when in actual fact is not
 - c) The auditor has rejected an item from sample which was not supported by documentary evidence
 - d) He applies random sampling on data which is inaccurate and inconsistent
 61. Which of the following Auditing Assurance Standard deals with Audit Planning?
 - a) AAS-7
 - b) AAS-8
 - c) AAS-9
 - d) AAS-3
 62. Audit programme is prepared by-
 - a) the auditor
 - b) the client
 - c) the audit assistants
 - d) the auditor and his audit assistants
 63. The working papers which auditor prepares for financial statements audit are : _
 - a) evidence for audit conclusions
 - b) owned by the client
 - c) owned by the auditor
 - d) retained in auditor's office until a change in auditors
 64. The quantity of audit working papers compiled on engagement would most be affected by-
 - a) management's integrity
 - b) auditor's experience and professional judgment
 - c) auditor's qualification
 - d) control risk
 65. Which of the following best describes the primary purpose of audit programme preparation?
 - a) To detect errors or fraud.
 - b) To comply with GAAP
 - c) To gather sufficient appropriate evidence
 - d) To assess audit risk
 66. Which of the following is not an advantage of the preparation of working paper?
 - a) To provide a basis for review of audit work
 - b) To provide a basis for subsequent audits
 - c) To ensure audit work is being carried out as per programme
 - d) To provide a guide for advising another client on similar issues
 67. The auditor's permanent working paper file should not normally, include-
 - a) extracts from client's bank statements
 - b) past year's financial statements
 - c) attorney's letters

- d) debt agreements
68. For what minimum period should audit working papers be retained by audit firm?
- For the time period the entity remains a client of the audit firm.
 - For a period of ten years
 - For a period auditor opines them to be useful in servicing the client
 - For the period the audit firm is in existence.
69. Which of the following factors would least likely affect the quantity and content of an auditor's working papers
- The assessed level of control risk
 - The possibility of peer review
 - The nature of auditor's report
 - The content of management representation letter
70. Which of the following statement is true regarding an auditor's working papers?
- They document the level of independence maintained by the auditor
 - They should be considered as the principle support for the auditor's report
 - They should not contain details regarding weaknesses in the internal control system
 - They help the auditor to monitor the effectiveness of the audit firm's quality control
71. Which of the following statement best describes the understanding with respect to ownership and custody of working papers prepared by an auditor?
- The working papers may be obtained by third parties when they appear to be relevant to issues raised in litigation
 - The safe custody of working papers is the responsibility of client, if kept at his premises
 - The working papers must be retained by an audit firm for a period of 10 years
 - Successor auditors may have access to working papers of the predecessor auditors. The approval of client is not required.
72. The current file of the auditor's working papers, generally, should include-
- a flowchart of the internal controls
 - Organization charts
 - a copy of financial statements
 - copies of bond and debentures
73. Knowledge of the entity's business does not help the auditor to-
- reduce inherent risk
 - identify problem areas
 - evaluate reasonableness of estimates
 - evaluate appropriates of GAAP.
74. The main advantage of using statistical sampling techniques is that such techniques:
- mathematically measure risk
 - eliminate the need for judgmental sampling
 - defines the values of tolerable error
 - all of the them.
75. Which of the following methods of sample selection is least suitable for extrapolating results to the population?
- Systematic sampling
 - Random sampling
 - Haphazard sampling
 - None
76. Which of the following statements is correct?
- Lower the sampling risk greater the sample size
 - Smaller the tolerable error, greater the sample size
 - Lower the expected error, smaller the sample size
 - All are correct
77. Which of the following features is most important for random-based selection?
- Sample should be drawn from population
 - Every strata of population should be represented in the sample
 - Every item in the population has an equal chance of being selected in the sample
 - Items should be selected at 'n' th interval
78. Risk of under reliance is the risk that the sample selected to test controls
- Does not support the auditor's planned assessed level of control risk when the true operating effectiveness of the control structure justifies such an assessment
 - Supports the auditor's planned assessed level of control risk when the actual position does not warrant such reliance
 - Is not supported by adequate documents
 - both (a) & (c)
79. Which of the following factors is (are) considered in determining the sample size for tests of control?
- Projected error
 - Tolerable error
 - Expected error
 - Both (b) and (c)
80. Tolerable error, is the maximum monetary error that the auditor is prepared to accept in the population and still conclude that audit objective has been achieved, is directly related to
- Sample size
 - Audit risk
 - Materiality
 - Expected error
81. Who is responsible for the appointment of statutory auditor of a limited company?
- Directors of the company
 - Members of the company

- c) The Central Government
d) All of the above
82. Which of the following sections deal with qualifications of the auditor?
a) Section 226 (1) and section 226(2)
b) Section 224 (1) and section 224 (2)
c) Section 226 (3) and section 226(4)
d) Section 224(3) & Sec.224
83. Which of the following statement is not true?
a) A partnership firm can be appointed as a statutory auditor of limited company
b) Appointment can be made in the name of the firm
c) Majority of the partners should be practicing in India
d) All partners should be chartered accountants
84. As per the requirements of section 226(3) and 226(4) a person is disqualified from being appointed as a statutory auditor if he holds-
a) Equity shares or debentures of the company
b) Equity shares carrying voting of the company
c) Shares carrying voting rights of the company
d) Security carrying voting rights of the company
85. The board of directors shall appoint first auditor of a company
a) Within one month of completion of capital subscription state of the company
b) Within one month of the promotion of the company
c) Within one month of the commencement of the business of the company
d) Within one month of incorporation of the company
86. The term of the auditor ship of first auditor would be from the date of appointment till
a) the conclusion of statutory meeting
b) the conclusion of first annual general meeting
c) the conclusion of next annual general meeting
d) the date of removal
87. In case the directions fail to appoint first auditor (s), the shareholders shall appoint them at....by passing a resolution
a) a general meeting
b) first annual general meeting
c) statutory meeting
d) annual general meeting
88. Life Insurance Corporation of India holds twenty five percent of subscribed capital of XYZ Ltd. The appointment of statutory auditor in XYZ Ltd. Would be by
a) ordinary resolution
b) special resolution
c) (a) or (b)
d) none of the above
89. ICICI prudential, a life insurance company, holds thirty-two percent of subscribed share capital of Delta Ltd. The statutory auditor of Delta Ltd. would be appointed by
a) ordinary resolution
b) Special resolution
c) either of the above
d) none
90. Which of the following statement is not true regarding appointment of statutory auditor by the Central Government?
a) Such powers have been conferred upon it by section 224(3)
b) If a company fails to appoint an auditor at a general meeting
c) If an auditor refuses to accept appointment, the powers of the Central Government can be exercised.
d) None of the above
91. If a casual vacancy in the office of auditor arises by his resignation it should only be filled by the company in a.....
a) Board meeting
b) extraordinary general meeting
c) General meeting
d) annual general meeting
92. Which of the following is not an inherent limitation of internal control system?
a) Management override
b) Collusion among employees
c) Inefficiency of internal auditor
d) Abuse of authority
93. An auditor should study and evaluate internal controls to-
a) determine whether assets are safeguarded
b) Suggest improvements in internal control
c) Plan audit procedures
d) express and opinion
94. Mr. Narayan, a Chartered Accountant, has nineteen audits, Out of following audits which audits should he accept to ensure he doesn't violate provisions of section 224(1B)
a) Audit of Zeba Ltd. a private company
b) Audit of branch of Pointec Ltd. a foreign company
c) Audit of two branches of Virtue Ltd. an Indian company
d) All of them
95. Which audit out of the following would not be regarded as one audit for the purposes of section 224(1B)?
a) Audit of one branch each of two different companies
b) Joint audit
c) Audit head office & branches
d) Audit of one or more branches of a

company

96. The auditor of a Government company is appointed by the C & AG. His remuneration is fixed by
- the C & AG
 - the shareholders
 - the shareholders at an annual general meeting
 - the board of directors
97. Which of the following statements is not true?
- Valuation of assets is the responsibility of management
 - The auditor can rely on a certificate issued by an authorized valuer as to the valuation of assets in the balance sheet
 - The auditor should value the asset as per generally accepted accounting principle
 - Valuation is no part of auditor's duty
98. The authority to remove the first auditor before the expiry of term is with
- the shareholders in a general meeting
 - the shareholders in the first annual General meeting
 - the board of directors
 - the Central Government
99. Which of the following statements is not correct regarding removal of first auditor before expiry of the term?
- He is removed at a general meeting
 - The shareholders are authorized to do so
 - The approval of the Central Government is required for such removal
 - The provisions for such removal are contained in section 224(7)
100. A state Government spent rupees fifty lakhs on renovation of Raj Bhavan for its Governor. In the C & AG's opinion, this expenditure was more than what occasion demanded? It is an example of -
- Propriety audit
 - Performance audit
 - Audit against provision of funds
 - None of the above