

Model Paper on Objective type questions on Supply Account, procurement and internal Audit

Supply Account Manual

1. If CA/Dy.CA is not in a position to investigate with the reference to his own record a time barred claim, the case should be referred to
 a) Indenter b) Ministry of Finance, Deptt. of expr. C)CCA Supply d)none of these

Ans. b)—Para 5.15.1 of SAM

2. The departmental charges for (Inspection & purchase) on a bill of contractor for Rs.5,00,000 within a provision of 2% cash discount to ensure prompt payment of their bills is
 a)Rs.5000 b)Rs.4900 c)5100 d)none of these

Ans. b)(5,00,000-10,000=490000x1%=4900)

Note (2) below Para 5.30.5 of SAM

3. For Supply of Computer in Goa the bill should be preferred to:
 a) CCA, Supply New Delhi
 b) Dy. CA , Mumbai
 c) Dy. CA, Chnnai
 d) CA, Supply, Calcutta

Answer b) Para 1.2.2 of SAM

4. Departmental charges (Inspection fee and purchase fee) on supplies to the Railway is calculated at the rate of:
 a) 0.25 %
 b) 1 %
 c) 0.75 %
 d) 0.50 %

Answer c) Para 5.29.3 (ix) of SAM

5. Contract for supply of Machinery and Plant where the erection and commissioning is done by the firm is governed on conditions of contract on form No:
 a) DGS&D -68
 b) DGS&D -69
 c) DGS&D -70
 d) DGS&D -71

Answer d) Para 8.18.1 (i) of SAM

6. The recovery of arbitration award should be affected from the date of award within the period of
- 45 days
 - 07 days
 - 90 days
 - 30 days

Answer (c) Para 11.20.2 of SAM

7. The departmental charges for supplies where the cost of supply is Rs. 1 lac, Sales tax is Rs. 4000, packing charges is Rs. 1000 and postage charges is Rs. 550, would be Rs.
- Rs. 1040
 - Rs. 1056
 - Rs. 1050
 - Rs. 1000

Answer (a) Para 5.29.2 & 5.29.3 of SAM. Only Sales Tax will be included in the DC.

8. Mr. Z submitted a bill for supplies of Rs. 5 lac on 1st May, 2008. The bill should be passed within
- 7 days
 - 15 days
 - 12 days
 - 3 days

Answer (a) Para 5.6.1 (a) of SAM

9. Contracts placed against urgent indents should include
- Grace period of 7 days
 - Grace period of 21 days
 - Grace period of 30 days
 - No grace period is allowed

Answer (d) Para 5.22.5 (f) (i) of SAM

10. A contractor X submitted a bill of Rs. 149740 instead of Rs. 149970 for the supply of printers. The bill should be
- Passed
 - Returned
 - Kept pending
 - Intimated to contractor

Answer (d) Note below Para 5.7.1 (vi) of SAM

11. The amount of unclaimed deposit is credited to the Major Head:

- 0075- Misc. General Services
- 8443- Civil Deposits

- c) 8658 – Suspense Account
- d) None of These

Answer a) Para 6.6.1 of SAM

12. The supplier can claim balance payment of sheet of paper without consignee receipt certificate if they have certified non receipt of said certificate within.

- a) 30 days
- b) 75 days
- c) 90 days
- d) 120 days

Answer b) Para 3,2,5 (b) of SAM

Limitation Act.

13. The limitation period of suit by a person excluded from a joint family property to enforce a right to share therein is –

- a) 20 years
- b) 18 years
- c) 15 years
- d) 12 years

Ans. d) Sl. No 110 of the Schedule of Limitation Act.

14. The period of limitation from the date of sentence of death passed by a court of session or by a high court in the exercise of its original criminal jurisdiction under the code of criminal procedure, 1898 (5 of 1898) is :

- a) 30 days
- b) 45 days
- c) 75 days
- d) 100 days

Answer a) Sl. No 115 (a) of the Schedule of Limitation Act.

15. When the plaintiff is acquitted or the prosecution is otherwise terminated, the period of limitation for compensation for a malicious prosecution is :

- a) 1 year
- b) 4 years
- c) 3 years
- d) 5 years

Answer a) year Sl. No 74 of the Schedule of Limitation Act.

16. When the summons is served, the limitation period for leave to appear and defend a suit under summary procedure is :

- a) 25 days

- b) 10 days
- c) 12 days
- d) 15 days

Answer b) Sl. No 118 of the Schedule of Limitation Act.

17 The limitation period from the date of dissolution for an account and a share of the profit of a dissolved partnership is :

- a) 3 years
- b) 7 years
- c) 1 year
- d) 5 years

Answer a) Sl. No 5 of the Schedule of Limitation Act.

18. The period of limitation for compensation from the date of the trespass upon immovable property is

- a) 7 Years
- b) 2 Years
- c) 3 Years
- d) 5 Years

Answer c) Sl. No 87 of the Schedule of Limitation Act.

DGS&D Manual

19 The period of expiry of unclaimed performance security deposit into lapse deposit is-

- a) 1 complete account year
- b) 6 months
- c) 3 complete account years
- d) 4 complete account years

Ans. c) Para 6.20.1 of DGS&D Manual

20. Normally the period of rate contract is limited to-

- a) 2 years
- b) 6 months
- c) 1 year
- d) 3 years

Ans. c) Para 13.7.1 – H (i) of DGS&D Manual

21. The time to allow for the submission of Global Tender should not be less than-

- a) 1 week
- b) 3 weeks
- c) 6 weeks
- d) 8 weeks

Ans. d) Para 8.5.6 of DGS&D Manual

22. The liability of payment of excise duty lies with

- a) Producer
- b) Indenter
- c) Purchaser
- d) Pay & Accounts Officer

Answer (a) Para 10.5.4 of the DGS&D Manual

23. Pricing of DGS&D specifications upto 5 pages (A 4 size) is Rs.

- a) 10
- b) 20
- c) 30
- d) 40

Answer (b) Para 4.4 of DGS&D Manual

24. For a tender of Rs. 90,000, the amount of earnest money deposit is Rs.

- a) 9000
- b) 4500
- c) 10,000
- d) No E.M.D.

Answer (d) Para 6.2.3 of DGS&D Manual

25. Which of the following is not a type of sample in DGS&D:

- a) Complaint sample
- b) Financial sample
- c) Standard sample
- d) Quality audit sample

Answer (b) Para 14.29 of DGS&D Manual

26. The minimum amount of valuable samples is Rs.

- a) 1000
- b) 500
- c) 800
- d) 400

Answer (a) Para 14.29 of DGS&D Manual

Audit- Taxmann's Auditing:

27. Which is not the contents of audit note book

- a) Technical details about business

- b) Fraud and errors found in books during the course of audit
- c) Total of important ledger account
- d) An evidence of negligence by the auditor in carrying out the audit

Answer (d) page 52

28. Audit conducted between two annual audit is known as
- a) Mid-term audit
 - b) Short audit
 - c) Simple audit
 - d) Interim audit

Answer (d) page 38

29. Deferred revenue expenditure means
- a) Revenue expenditure of a financial year
 - b) Partial expenditure of revenue expenditure
 - c) Revenue expenditure but it benefits extends to future accounting period
 - d) Total of both revenue and capital expenditure

Answer (c) page 152

30. CAAT stands for
- a) Common Admission Aptitude Test
 - b) Computer and Audit Terminal
 - c) Computer Assisted Audit Technique
 - d) None of the above

Answer (c) page 309