

PAPER-6

COMMERCIAL AND INDUSTRIAL LAWS AND AUDITING

REVALIDATION TEST PAPER-RV/06/CIA/2010

Time Allowed-3 Hours

Full Marks-100

SECTION I: COMMERCIAL AND INDUSTRIAL LAWS

Q.No.1 is compulsory and any two questions from rest.

Q1) a. Comment on following statement. 18

- (1) Passing of risk is dependent on delivery of goods.
- (2) Every trade practice in restraint of trade is not necessarily a restrictive trade practice.
- (3) Lay off and retrenchment cans not the same meaning.
- (4) Gratuity can be attached by an order of court.
- (5) Eligibility of bonus depends on the period of actual service.
- (6) Minor under Contract Act is always a beneficiary.
- (7) An apprentice is a workman under Industrial Dispute Act.
- (8) Acceptance for honour can be made only when the instruments becomes Dishonored by non acceptance or by non payment.
- (9) Matters provided in first schedule, second schedule and third schedule of pay ment of Bonus Act.

b. Difference between bill of exchange and cheque. 4

Q2) (a) Discuss the essentials of a valid contract. 8

(b) Who cannot enter into a contract? 3

(c) Distinguish between void and illegal contracts. 3

- Q3)** a. What are the remedies available to a worker who has paid less than the minimum rates of wages? State the procedure for determination of dispute. **4**
- (b) Who is occupier of a factory under Factories act? When can he be exempted from liability. **4**
- (c) Discuss rights of consumer under consumer protection act. **3**
- (d) Discuss rights of unpaid seller. **3**
- Q4)** a. Can a minor be liable for payment of supplies of necessaries to him? **4**
- b. Explain remedies available under consumer protection act. **4**
- c. Write about 'Partnership by holding out.' **3**
- d. When an offer lapses. **3**
- Q5) Write short notes (Any Two) **14****
- (a) Exceptions to the rule no. consideration no contract
- (b) Anti Competitive Agreements
- (c) Objectives of Right to Information Act.
- (d) Monitoring and Reporting under Right to Information Act.

SECTION II: AUDITING

Q.No.1 is compulsory and any two questions from rest

- Q1)** State with reasons whether the following statement are TRUE or FALSE **18**
- (i) Internal Audit is entrusted to the employees of the organization.
- (ii) When there is a Statutory Audit, introduction of Internal Audit is not necessary at all.
- (iii) Auditing is generally associated with only accounting and financial records.
- (iv). Only the vouching to ascertain the arithmetical accuracy is not enough
- (v) Internal Audit is similar to that of internal control.

(vi) Detection of frauds is the duty of the Statutory Auditor and not necessarily that of an internal auditor.

Q2) What is audit evidence? Explain the different types of audit evidence and different methods of obtaining them. **16**

Q3) What do you mean by CARO? Explain what is expected under the CARO regarding

- (a) Inventory
- (b) Internal Audit
- (c) Internal Control
- (d) Deposit of Statutory Dues.
- (e) Frauds

16

Q4) Answer in brief

- (a) What is the professional qualification of Company Auditor?
- (b) Who can become a Cost Auditor of a company?
- (c) A person disqualified for any reason to be a Co. Auditor is also disqualified to be an auditor of which companies?
- (d) When Central Govt. appoints a Company Auditor?
- (e) Who can remove the Co. Auditor?
- (f) Give any two important rights of Co. Auditor.
- (g) What is an important duty of Co. Auditor to shareholders of the co.?
- (h) To whom the auditor performs his duty of signing an Audit Report?

16

Q6) Write short notes on

- (a) Efficiency Audit.
- (b) Qualified Report
- (c) Auditing in EDI environment
- (d) Audit checks in case of Depreciation.

16