

[Time: 2½ Hours]

[Marks:75]

Please check whether you have got the right question paper.

- N.B:**
1. **All** questions are **compulsory** carrying **15 Marks** each (with Internal choice)
 2. **Figures** to the **right** indicate **full marks**.

Q.1 a. State whether the following sentences is true or false:- **(any 8)**

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- a) Auditor has a right to take legal and expert advice.
- b) A Chartered Accountant is expected to maintain the dignity and prestige of the profession.
- c) A Chartered Accountant-cannot share his fees with a non member.
- d) Changes in techniques of audit change basic objectives of audit.
- e) Computerized Audit Programs increase processing time.
- f) Auditor is supposed to report to the board of directors.
- g) Qualified report is given when auditor is not satisfied with major matters in the financial statements.
- h) Tax audit report is submitted in Form No.3 CA by those who conduct their audit under any other law.
- i) Internal auditor can be a tax auditor.
- j) For the purpose of tax audit courier service is held to be a profession.

b. Fill in the blanks **(any 7)**

07

- i) Tax audit is compulsory for the businesses whose sales, turnover or gross receipts exceeds----- rupees in any previous year.
- ii) -----is breach of trust or duty imposed by law.
- iii) It is the duty of the auditor to report to the -----
- iv) Audit report is the instrument through which the auditor express his -----to the shareholders.
- v) C S A stands for -----
- vi) A person who wants to be member of the institute should be of the age of -----years.
- vii) Tax Audit is compulsory under section-----
- viii) The last date for filing returns and tax audit report u/s 44AB is -----
- xi) Staff are provided with -----that restricts the unauthorized access.
- x) ----- approach is also known as Auditing through computer.

Q.2 a) What are the problems in C I S environment in implementation of internal control?

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b) What are the approaches to audit in C I S environment?

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OR

a) What is audit report? Explain in brief Qualified and unqualified report.

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b) Distinguish between Auditor report and Auditors Certificate.

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Q.3 a) When is the tax auditor required to submit form No 3CA? What are its contents?

08

b) Explain the objects of Tax Audit and who can be appointed as a Tax Auditor.

07

OR

a) What are the rights of an auditor?

08

b) Explain Joint auditor and their liabilities.

07

[P.T.O]

- Q.4** a) Explain the term Professional Ethics and misconduct in relation to the Chartered Accountant Act, 1949. Give 5 examples. **08**
b) Distinguish between Negative Report and disclaimer report. **07**

OR

- a) Explain the General controls over the EDP activities.
b) Discuss E commerce transaction.

- Q.5** a) Explain the contents of Audit Report. **08**
b) What do you mean by misfeasance and explain the liability of an auditor for misstatement in prospectus. **07**

OR

Write short notes on **any three:-**

- a) True and fair view
b) Branch auditor
c) CARO Reporting 2003 with regards fixed assets and stock.
d) Test packs
e) Input control

15