

CHAPTER - VII
SECTION OFFICER'S GRADE SERVICE

7. The Section Officer's service is a General central service Group 'C' under the rule making Control of the President, acting in consultation with the Comptroller and Auditor General of India, constituted for the first level of supervision of the work of the I.A. & A. D.

7.1 Appointment to the Section Officers' Service

7.2 Every direct recruit appointed to the cadre of Section Officer will be on probation for a period of two years. During the period of probation, he/she will have to qualify the SOGE Part II. If a direct recruits / fails to pass both parts of SOGE within the period of probation, he/she will be removed from service or if fully deserving of retention, may be offered appointment as Auditor in respective office against a direct recruitment vacancy, if available.

Authority: (CAG's order at page 34/N in file No. 9 NGE(App)/98-Vol. II., C.S. No. 7 of Chapter V of CAG MSO (Admn) Vol. I.)

7.3 The rules and regulations regarding the eligibility etc. of the candidates to appear at the examination qualifying for appointment to the section officers' are contained in Appendix 14 and 15 of volume III of the CAG's MSO (Admn).

In accordance with the provision of the Recruitment Rules, direct recruitment of Section Officers is made periodically under the orders issued by the Comptroller and Auditor General of India from time to time. No person who has not passed the prescribed examination is eligible for appointment as Section Officer.

7.3.1. Recruitment Rules for Section Officer (Audit) I.A. & A.D.

In exercise of the powers conferred by clause (5) of article 148 of constitution the president after consultation with the comptroller & Auditor General of India, the

President hereby makes the following rules to amend the IA&AD, Section Officer(Audit) Recruitment Rules, 1988 namely:-

1. Short title and commencement:-

- (i) These rules may be called the Indian Audit & Accounts Department **(Section Officer (Audit) Recruitment Rules, 1988, (Amendment) Rules 2002.**
- (ii) They shall come into force on the date of their publication in the official gazette.

2. Application: These rules shall apply to the posts specified in the schedule annexed to these rules

3. No. of posts, classification and scale of pay:-

The number of said posts their classification and the scales of pay attached thereto shall be as specified in column 2 to 4 of the said schedule.

4. Method of recruitment, age limit qualification etc: The method of requirement, age limit, qualification and other matters relating to the said posts shall be as specified in column 5 to 14 of the schedule aforesaid.

5. Disqualification: - No person,

- (a) Who has entered into or contracted a marriage with a person having a spouse living or
 - (b) Who having a spouse living, has entered into or contracted a marriage with any person,
- shall be eligible for appointment to the said posts.

Provided that the Comptroller & Auditor General of India may if satisfied that such marriage is permissible under the personal law applicable to such a person and the other party to the marriage and that there are other grounds for so doing exempt any person from the operation of this rule.

6. Power to relax: - Where the Comptroller & Auditor General of India is of the opinion that it is expedient or necessary so to do, the may, by order and for reasons to be recorded in writing, relax any of the provisions of these rules with respect to any class or category of persons.

7. Saving:- Nothing in these rules shall affect reservations, relaxation or age limit and other concessions required to be provided for the Scheduled Castes, The Scheduled Tribes, OBCs, Ex-Servicemen and other special categories in accordance with the order issued by the Government of India from time to time in this regard as applicable to persons employed in the I. A. & A. D.

For the Schedule to the Indian Audit and Accounts Department Section Officer (Audit), Recruitment Rules, 2002, following Schedule shall be applicable namely:

Schedule I

Section Officer (Audit)

1.	Name of the post:	Section Officer(Audit)
2.	Number of posts	Subject to variation dependent on work load.
3.	Classification	General Central Service Group 'B'(Non-Gazetted), Non- Ministerial
4	Scale of Pay	Rs. 6500-200-10500
5	Whether selection post or non selection post	Non-Selection
6	Whether benefit of added years of service admissible under rule 30 of the Central Civil Service (Pension) Rules 1972	No
7	Age limit for direct recruits	27 years, The crucial date for determining the age limit shall be the closing date for receipt of applications from candidates. Note: Relaxable for Government servants upto 5 years in accordance with the instruction or orders issued by the Central Government.
8	Educational and other qualifications	Bachelor's Degree of a recognised

	required for direct recruits	University .
9	Whether age and educational qualification prescribed for direct recruits will apply in the case of promoters.	No
10	Period of probation, in any	Two years
11	Method of Recruitment whether by direct recruitment or by promotion or by deputation/absorption and percentage of posts to be filled by various methods	<p>Promotion failing which by deputation absorption failing both by direct recruitment.</p> <p>Note 1: The direct recruits will be selected on the basis of an Entrance Examination conducted by the CAG of India or any authority specified.</p> <p>Note 2: Suitability of the regular holders of the post of Section Officer (Audit) in the scale of Rs. 6500-200-10500 Group 'C' will be initially assessed by the Departmental promotion committee for appointment to the Group 'B' post. If assessed 'suitable' he/she will be deemed to have been appointed to the post at the initial constitution. If assessed 'Not Suitable' he/she shall continue to hold Group 'C' post and the case would be reviewed every year.</p>
12	In case of recruitment by promotion/deputation/absorption/grades from which promotion/deputation absorption to be made.	<p><u>Promotion:</u></p> <p>Departmental candidates who have passed the S.O.G. Exam.(Audit) Conducted by the CA.G. of India.</p> <p>Deputation/Absorption:</p> <p>(i)Section Officers or Section Officer's</p>

		<p>Grade Examination passed staff from any other Audit office of the IA&AD failing which.</p> <p>(ii) Section Officers or Section Officer's Grade Examination passed staff from any (A&E) office of the IA&AD and failing both;</p> <p>(iii) Staff qualified in any equivalent examination in any accounting organisation under Central Government.</p> <p>Note: The Departmental officers in the feeder category who are in the direct line of promotion shall not be eligible for consideration for appointment on deputation. Similarly, deputationists shall not be eligible for consideration for appointment by promotion.</p> <p>(Period of deputation including period of deputation in another ex-cadre post held immediately preceding this appointment in the same or some other organisation/ Department of the Central Government shall ordinarily not to exceed three (3) years. The maximum age limit for appointment by deputation/absorption shall be not exceeding 56 years as on the closing date of receipt of applications.)</p>
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13	If a departmental promotion committee exists what is its composition?	<p>Group 'B'DPC consisting of</p> <p>i.) Cadre Controlling Officer of the rank of Principal Accountant General/Accountant General-Chairman.</p> <p>ii)Officer of the rank of the Sr. DAG/DAG in charge of Administration. - Member</p> <p>iii) Any other officer of the rank of Sr. DAG/DAG or an officer of equivalent rank (from an office other than one in which promotions are considered.) -Member</p>
14	Circumstances in which UPSC is to be consulted in making recruitment.	Consultation with the Commission necessary while appointing an officer on absorption

Schedule II

Section Officer (Commercial Audit)

1.	Name of the post:	Section Officer(Commercial Audit)
2.	Number of posts	Subject to variation dependent on work load.
3.	Classification	General Central Service Group 'B'(Non-Gazetted), Non- Ministerial
4	Scale of Pay	Rs. 6500-200-10500
5	Whether selection post or non selection post	Non-Selection
6	Whether benefit of added years of service admissible under rule 30 of the Central Civil Service (Pension) Rules 1972	No
7	Age limit for direct recruits	27 years, The crucial date for determining the age limit shall be the closing date for receipt of applications from candidates. Note: Relaxable for Government servants upto 5 years in accordance with the instruction or orders issued by the Central Government.
8	Educational and other qualifications required for direct recruits	Bachelor's Degree of a recognised University.
9	Whether age and educational qualification prescribed for direct recruits will apply in the case of promoters.	No
10	Period of probation, in any	Two years

11	Method of Recruitment whether by direct recruitment or by promotion or by deputation/absorption and percentage of posts to be filled by various methods	<p>Promotion failing which by deputation absorption failing both by direct recruitment.</p> <p>Note 1: The direct recruits will be selected on the basis of an Entrance Examination conducted by the CAG of India or any authority specified.</p> <p>Note 2: Suitability of the regular holders of the post of Section Officer (Commercial Audit) in the scale of Rs. 6500-10500, Group 'C' will be initially assessed by the Departmental promotion committee for appointment to the Group 'B' post. If assessed 'suitable' he/she will be deemed to have been appointed to the post at the initial constitution. If assessed 'Not Suitable' he/she shall continue to hold Group 'C' post and the case would be reviewed every year.</p>
12	In case of recruitment by promotion/deputation/absorption/grades from which promotion/deputation absorption to be made.	<p>Promotion:</p> <p>Departmental candidates who have passed the S.O.G. Exam.(Audit) Conducted by the CA.G. of India.</p> <p>Deputation/Absorption:</p> <p>(i)Section Officers or Section Officer's Grade Examination passed staff from any other Audit office of the IA&AD failing which.</p> <p>(ii) Section Officers or Section Officer's Grade Examination passed staff from</p>

		<p>any (A&E) office of the IA&AD and failing both;</p> <p>(iii) Staff qualified in any equivalent examination in any accounting organisation under Central Government.</p> <p>Note: The Departmental officers in the feeder category who are in the direct line of promotion shall not be eligible for consideration for appointment on deputation. Similarly, deputationists shall not be eligible for consideration for appointment by promotion .</p> <p>(Period of deputation including period of deputation in another ex-cadre post held immediately preceding this appointment in the same or some other organisation/ Department of the Central Government shall ordinarily not to exceed three (3) years. The maximum age limit for appointment by deputation/absorption shall be not exceeding 56 years as on the closing date of receipt of applications.)</p>
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13	If a departmental promotion committee exists what is its composition?	<p>Group 'B'DPC consisting of</p> <p>i.) Cadre Controlling Officer of the rank of Principal Accountant General/Accountant General-Chairman.</p> <p>ii)Officer of the rank of the Sr. DAG/DAG in charge of Administration. - Member</p> <p>iii) Any other officer of the rank of Sr. DAG/DAG or an officer of equivalent rank (from an office other than one in which promotions are considered.) -Member</p>
14	Circumstances in which UPSC is to be consulted in making recruitment.	Consultation with the Commission necessary while appointing an officer on absorption

Authority: - (GSR No.306 dated 24.7.2002 of Govt. of India, Ministry of Finance, Department of Expenditure, circulated vide CAG letter No.24-NGE (App)/25-99 dated 17.1.2003.)

7.4 Eligibility to sit for S.O.G. Examination

7.4.1 Only persons who have put in a minimum of **three years** service in one or more of the following capacities should be eligible to sit for the examination.

- (i) As a Sr. Auditor/Auditor/Clerk in the Audit Office.
- (ii) As a stenographer in the Audit Office.

The date for determining the length of total service put in by the candidate qualifying for the examination in the 15th November each year.

The Head of Offices may recommend to the CAG for consideration suitable and deserving cases for condonation of deficiency not exceeding 2 months in each case, in the

minimum qualifying service of three years required for eligibility to appear in the examination.

Fresh candidates who do not pass preliminary test (to be held) will not be allowed to appear for the S.O.G. Exam.

Candidates who after qualifying themselves in the preliminary test do not appear in the S.O.G. Exam. immediately following thereafter, should also be subjected to further screening by requiring them to take the preliminary test again, performance in which will be the criteria for their admission to the S.O.G. Exam.

Authority: 1.(Para 9.2.6 of C.A.G's M.S.O. (Admn.) Vol. 1)

2.(CAG's latter No. 254-Exam70-67, dated 14.7.67)

7.4.2 A Candidate who has not passed Part I will not be allowed to take part II of the Examination, except a candidate who has secured exemption marks in all other subjects of part I of the Examination but failed only in one subject of that examination will be allowed to take the remaining one subject along with Part II of the SOGE, if he is otherwise eligible. In such case even if he passes part II of the examination but fail in part I subject , he will not be considered as eligible for promotion till he passes the remaining subject of part I.

Note: It has been decided that persons who have passed in two subjects of Part I with Exemption Marks, will be allowed to appear in the third subject along with Part II .In cases when there are more than three subjects in Part I of the Examination, as in Commercial Audit Branch, persons securing Exemption Marks in all subjects except in one, in the remaining one subject along with Part II of the Examination. (This is subject to other usual conditions regarding age-limit, percentage of qualifying marks, etc.) The names of such candidates should be included in both the lists of candidates for Part I and Part II of the Examination.

Authority: 1.(Para 9.2.7 of C.A.G's M.S.O. (Admn.) Vol. 1)

2. (C.A.G's letter No. 430-Exam/59-68, dated 8th August, 1968)

7.4.3 Number of Chances for S.O.G. Examination

The normal number of chances for the S.O.G. Exam will be **six**. But it has also been decided that indefinite number of chances in Part I will be allowed to those candidates who

secure 30% or more marks in aggregate in any two of the last six chances actually availed of by them in partial modification of the provisions of Para 9.2.10 of M.S.O. (Admn) Vol. I as amended from time to time. There is no limit to the number of chances for part II of the Examination.

(Authority :- CAG's Examination Section Circular No.7 of 1991 issued under letter no. 435-Exam/126-90, dated 13.6.91)

7.4.4 Withdrawal of candidature for the SOG Examination

Permission to appear at any particular examination shall count as one chance whether the candidate actually sits for the examination or not, unless he is specially allowed by the Head of the Office to withdraw his name. Such withdrawal shall not be allowed unless the circumstances of the case fully justify the concession. Permission to withdraw must be applied as early as possible and in any case before the commencement of the examination.

(Authority: Para 9.2.10.1 of C.A.G's M.S.O. (Admn) and CAG letter No. 276-NGE. I/42-54, dated the 15-2-54,O.O.No. 1480 (Trg), dated 4-3-54)

7.4.5 Qualifying and exemption marks in SOG.Examination

The number of marks required to secure a pass in each part of each branch of the SOGE is as follows:

In each subject- 40%

In the aggregate- 45%

Provided that 40 percent is also secured separately in each of the practical papers and with the aid of books.

(Authority: CAG MSO Vol. I para No. 9.2.35)

7.5.6 Any candidate failing at the examination but securing 50% of the marks in any of the subjects will not be required to appear again in these subjects at the further examination. Where there is theoretical and practical paper in any subject the marks for both the paper will be taken together for this purpose provided the minimum pass marks of 40% are also secured separately in the practical paper on the subject.

(Authority: CAG MSO Vol. I para No. 9.2.35)

7.4.7 Condonation of deficiency in service for appearing in the SOGE.

It has been decided by the CAG that heads of offices may recommend for consideration, suitable and deserving cases for condonation of deficiency, not exceeding two month, in the minimum qualifying service of the three years required for eligibility to appear in the SOG Exam.

(Authority: CAG letter No. 227-Exam/28-72-I, dated 8.5.1972.)

7.4.8. Granting of extra chance

No appeals or representations from the candidates for the grant of extra chances/relaxation of age etc. for appearing at the SOG Examination should be forwarded to the Comptroller & Auditor General's Office after 31st July each year.

While forwarding the cases for recommending relaxation of these rules (contained under para 9.2.6 / 9.2.10. and Note below para 9.2.4 C.A.G.'s M.S.O. (Admn) Vol. I) and grant of special chances, the Accountants General should state whether they are satisfied that on grounds, on which the Candidates have applied for relaxation, are genuine and acceptable to them.

In addition, in respect of each case so recommended, complete details of the Candidate previous attempts viz. Number of Chances taken, Index Nos. allotted and Marks secured should also be indicated in a statement form.

(C. A. G's letter No. 354-Exam/5-73-II, dated 8.6.1973)

7.4.9 Candidates who fail to pass part I of a branch of the SOG Examination and have exhausted all the permissible number of chances will not be allowed to appear as fresh candidates for any other branch of the SOG Examination. Permission to candidates who have not exhausted all the chances in any branch may, however, be granted by the Comptroller and Auditor General to appear in another branch of the SOG. Examination provided the Head of the Office, in respect of whose establishment such other branch is the appropriate branch, is agreeable to accept them for permanent absorption, after they qualify in that particular branch. In such cases the chances already availed of by a candidate in a

branch, are counted towards the maximum number of admissible chances in the other branch.

7.4.10 Transfer from one branch to another branch are not ordinarily permissible. In rare cases, where such transfers are found necessary in the public interest and after ascertaining that the establishment to which they seek transfer is prepared to absorb them permanently, transfer can be made with previous sanction of the Comptroller & Auditor General who will lay down any further conditions necessary in each case, with due regard to the general principles governing transfers from one branch to another.

7.5 Revenue Audit Examination for S.Os/AAOs (R.A.E.)

Every year an examination dealing with Revenue Audit will be held immediately following regular SOG (ordinary branch) Exam. On dates notified by or on behalf of the CAG.

7.5.1 Eligibility to appear in the R.A. Examination - Only those SOs/ AAOs who have either received the prescribed theoretical training in all the branches of the Revenue Audit, i.e. Income Tax, Central Excise and Customs or those who have worked for not less than one year in the Revenue Audit Branch will be eligible to appear in the RAE. The period of training in the Revenue Department will also be considered as part of service in the Revenue Audit Branch for the RAE. Similarly, the period spent by an SO/ AAO for conducting theoretical training classes in Revenue Audit will also count towards the period of one year. The service rendered in Revenue Audit Branch as Auditor will not be taken into consideration for this purpose. S.O.G.E. passed clerks who have not been promoted will, however, not be allowed for the examination.

(Authority :- CAG's Endst. No. 2592-Rev. A/38-66, dated 7.9.1965)

Notes: - As S.O.G.E. passed Auditor on deputation to another Civil AG. Office as SO is eligible for taking RAE for SOs/ AAOs after under going prescribed training.

(Authority: - Director of Revenue Audit letter No. 4104Rev. 4/3/67, dated 23.10.1968)

The Selection of candidates for training in Revenue Audit should be made according to the Administrative convenience. Seniority in service should not be the only criterion but merit should also be taken into consideration for selecting candidates for the training. Even

after the training, the Accountants General may make a selection of the eligible candidates for Revenue Audit Examination to test their capacity for passing the Examination.

7.6 Continuance of Section Officers in one Section: - Section Officers should be given opportunity to gain experience of work done in the various branches of the office by posting them to section in different branches, by rotation.

7.7 Seniority in SOGE Cadre- The orders regarding fixation of Senior in the SOGE Cadre may be had in the Para 5.7 of the MSO (Admn) Vol. I.

7.8 Instruction for Conducting the Departmental Examination

The instruction for conducting the departmental examination in respect of all branches are contained in Para 9.10.1 to Para 9.10.21 of the MSO (Admn) Vol. I.

7.9 Section Officer Grade Examination

The Departmental Examination qualifying for appointment to the Section Officer's Service is divided into two parts (Part I & Part II) and an examination in both the parts is normally held once a year in November for all Audit offices in all branches on dates notified by or on behalf of the CAG. The examination is conducted in the manner described in Section IX of volume III of the CAG's MSO (Admn).

The details of the scheme and syllabus of the Section Officers' grade Examination are prescribed in Chapter IX of volume III of the CAG's MSO (Admn). Presently, The revised syllabus will be effective from the exam schedule to be held in Nov. 2007 vide CAGs' circular No. 01/2007 received with letter No. 20/Exam/91-2004/V/Vol. II dated 22.1.2007.

Syllabus of Section Officers' Grade Examination with effect from 2007

CIVIL AUDIT BRANCHES

PART-I

Sl.No.	Paper	Duration (hours)	Maximum Marks
1	Service Regulations: (a) Theory (b) Practical	1.30 2.30	100 100
2	Financial Rules and Principles of Government Accounts	2.00	100
3	Constitution of India	2.00	100

Paper-1: Service Regulations- Theory & Practical syllabus

- (i) Fundamental Rules,
- (ii) Travelling Allowances Rules as contained in the Supplementary Rules,
- (iii) Central Civil Services (Joining Time) Rules,
- (iv) Central Civil Services (Pension) Rules,
- (v) Central Civil Services (Leave) Rules,
- (vi) Central Civil Services (Commutation of Pension) Rules,
- (vii) General Provident Fund (Central Services) Rules,
- (viii) Central Civil Services (Classification, Control and Appeal) Rules,
- (ix) Central Civil Services (Medical Attendance) Rules,

- (x) Central Civil Services (LTC) Rules,
- (xi) Defined Contribution Pension Scheme,

Books allowed: All the books listed in the syllabus for Practical paper.

- Note:** 1. Question on calculation of standard licence fee of government building will not be set.
2. Question on pay fixation will be compulsory.

Paper-2 Financial Rules and Principles of Government Accounts

- (i) Central Government Accounts (Receipts and Payments) Rules, 1983.
- (ii) Central Government Compilation of General Financial Rules (Revised edition 2005)
- (iii) Government Accounting Rules, 1990 published by Controller General of Accounts.
- (iv) Comptroller and Auditor General's Manual of Standing Orders (A&E) Vol. II
Chapter I - Appropriation Accounts
Chapter II - Finance Accounts Annexure and Appendices.

Paper-3: Constitution of India

- (i) Parts I, V, VI, VIII, IX, IX A, X, XI, XII, XIV, XVIII, XIX and XX of the Constitution of India together with relevant Schedules appended to it.
- (ii) Comptroller and Auditor General's (Duties, Powers and Constitutions of Service) Act 1971

Questions on such matters as manner of elections, conditions of eligibility for elections, qualifications, procedural details and jurisdiction of courts etc will be excluded.

Question paper should be in two parts, i.e. Part-I- Constitution of India-80 marks and Part-II-CAG's(DPC) Act 1971-20 marks.

Note: This paper is common to all branches of the Section Officers'Grade Examination Part-I.

**CIVIL AUDIT BRANCH
PART-II**

Sl.No.	Paper	Duration (hours)	Maximum Marks
4.	Précis and Draft	2.30	100
5.	Public works Accounts- -Theory	1.30	100
6.	-Practical	3.00	100
7	Financial Accounting with Elementary Costing	3.00	100
8	Government Audit	2.30	100
9.	Computer System -Theory	1.00	50
	-Practical	2.00	50
10	Statistics and Statistical sampling	2.00	100
	Total		700

Paper-4: Précis and Draft

The Question paper will consist of:

- (i) Précis of a correspondence or of notes on an official subject which is relevant and interesting to Accounts/Audit Offices in the Department **-50 Marks.**
- (ii) Drafting of an official letter or Office Memorandum bearing on the subject matter of (i) above-**25 Marks**

(iii) Drafting of an official letter, giving the facts, as directed in the question.-**25 Marks**

Notes: (i) This paper is common to all branches of the Section Officers' Grade Examination.

(ii) Paper setter should choose and include such subjects in the question paper that are of relevance and interest to Audit/ Accounts offices.

Paper-5: Public Works Accounts (Theory)

- i) Central Public Works Accounts Code with Appendices First Edition 1993 (Revised)
- ii) Account Code Volume-III
- iii) Comptroller and Auditor General's Manual of Standing Orders (A&E) Volume-I
Chapter 8 – Accounts of Public Works
Chapter 9- Accounts of Forests

Note: Question paper should be set so as to test the comprehension of the practical aspects of dealing with Public Works Accounts received in AsG offices with reference to codal provisions.

Paper-6: Public Works Accounts (Practical)

The syllabus is the same as for theory paper.

Book recommended (for practical paper):

- i) CPWA code with Appendices – First edition 1993(Revised)
- ii) Book of Forms referred to in CPWA Code
- iii) Account Code Volume-III
- iv) List of Major and Minor heads of Accounts.

Paper-7: Financial Accounting with Elementary Costing

- i) Financial Accounting: Nature and Scope, Limitations of Financial Accounting, Basic Concepts and Conventions, Generally Accepted Accounting Principles (GAAP).

- ii) Accounting Process: From recording of transactions to preparation of financial statements, Preparation of Bank Reconciliation statement, Trial Balance and Rectification of Errors.
- iii) Depreciation, Provisions and Reserves.
- iv) Bills of Exchange, Promissory Notes and Cheques.
- v) Financial statements: Sole Proprietorship concerns, Not-For Profit Organizations Accounts from incomplete records, Analysis of financial statements.
- vi) Accounts of Joint stock companies.
- vii) Accounting Standards of ICAI.
- viii) International Public Sector Accounting Standards (IPSAS) of IFAC.
- ix) Uniform Format of Accounts for Central Autonomous Bodies
- x) Cost Accounting-Topics:-
 - (a) Introduction
 - (b) Materials
 - (c) Labour and Direct Expenses
 - (d) Overheads (I) Factory overheads
 - (e) Overheads (II) Office and Administrative, Selling and Distribution Overheads
 - (f) Marginal Costing
 - (g) Production Accounts and Cost Sheets
 - (h) Process Accounts

Books recommended

- i) Introduction to Accounting by T.S.Grewal
- ii) Principles and Practice of Accountancy by R.L.Gupta and V.K.Gupta
- iii) Financial Accounting by S.N.Maheshwari
- iv) Cost Accounting by Shukla, Grewal and Gupta
- v) Compendium of Accounting Standards of ICAI
- vi) IFAC hand book of International Public Sector Accounting Board
(available at website <http://www.ifac.org>).

Paper-8: Government Audit

- i) Brouchure on Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act.
- ii) CAG's Manual of Standing Orders (Audit)
- iii) Auditing Standards issued by C & AG.
- iv) Manual of Autonomous Bodies.
- v) Performance Audit Guidelines.
- vi) Auditing and Assurance Standards of ICAI.
- vii) INTOSAI Guidelines on Internal Control.
- viii) ASSOSAI Guidelines for dealing with Fraud and Corruption.

Note: (i) There will be eight questions in three parts, i.e. five questions in Part A and out of that three questions will be answered; one compulsory question in Part-B relating to Draft para and two questions on performance Audit in Part C and one out of two questions will be answered.

(ii) One question on contract management should also be asked in this paper.

Paper- 9: Computer System Theory and Practical

Computer System-Theory

(1) Information concepts

- i) Definition of information-difference between data and information.
- ii) Physical concepts- storage, retrieval and processing of data comparison of manual and computer storage and organisation of data as files.
- iii) Different types of processing and purpose of processing.
- iv) Development of data processing systems.
- v) Word and text processing-preparation of documents-text editing.
- vi) Introduction to Graphics and advantages and disadvantages of Graphics.

(2) Elements of a Computer, Hardware-Software-Computer Capabilities and Limitations

- i) What is computer? – Definition of electronic digital computer.
- ii) Computer Components-layout and their functions.

- iii) Characteristics of computers-small variety of instructions-fast executions-accurate.
- iv) What is hardware?—different types of units including peripherals.
- v) What is software? Why is it needed-computer language categories of software system and applications software?
- vi) Limitations of computer.

(3) Computers and Communication

- i) Computer communication need for data transmission over distances.
- ii) Networking of computers- Local Area Networking (LANs) need and advantages of networking, sharing resources (computer files & equipment), inter user communication, cost, training, upkeep and security.
- iii) Types of LANs.
- iv) Real time and on-line systems response time-airline/train reservations banking operations-electronic funds transfer videotext.
- v) An introduction to WAN-Definition and use.
- vi) An introduction to the Internet, Internet facilities (e-mail, world wide web, and e-commerce) and Web Browsers.

(4) Operating System (OS): Concepts, Basic Operations of Windows.

- i) Operating System concepts.
- ii) Task of Operating System
- iii) Introduction to DOS, UNIX and Windows
- iv) Definition of GUI.
- v) Definition of Windows.
- vi) Getting started: using the mouse; Windows components; control menu; menu bar; border; title bar; maximize-minimise; scroll bar; command button; option button check box; list box; using help.
- vii) Basic file manipulation operation (copying, renaming, deleting, viewing and printing; directory structure, listing files in directories (creating, changing and deleting directories).

(5) Principles of data security, preventive maintenance and trouble shooting:

- i) Concepts of security; privacy, protection, authorization, authentication and password protection.
- ii) Preventive measures and treatment: hardware and software locks, virus scanners and vaccines.

Computer System Practical

1 Introduction to Windows 98

- i) Using the Mouse
- ii) Anatomy of Windows
- iii) Windows Environment
- iv) Application Window, Title Bar, Menu Bar, Minimise/ Maximise/ Restore features, Scroll Bar.
- v) Menu and Dialog Boxes.
- vi) Menu Bar, Menu Item, Dimmed Menu Item, Hot Key, Short-cut Key, Control Menu, Check Mark, Cascading Windows/Menus
- vii) Help in Windows
- viii) Tool Bars
- ix) Use of Windows Explorer:
 - a. View the contents of Directory/Folder
 - b. Change Directory/Folder
 - c. Create/Delete Directories/Folders
 - d. Change Drives
 - e. Copy, Rename, Delete Files and Folders
- x) Format Floppy Disk
- xi) Drag and Drop Features
- xii) Find File

- 2. An overview of MS Office'97 covering MS-Excel 97, MS Power Point' 97 and MS-Access'97 and MS-Word 97.

3. Operating skills in Word Processing Package (MS-Word 97).

- i) Introduction to Word Processing.
- ii) Document Window: Creating various types of Documents
- iii) Printing Documents
- iv) Copying Documents
- v) Formatting Characters/Paragraphs
- vi) Formatting Page
- vii) Working with Sections/Section Break
- viii) Inserting Headers/Footers
- ix) Graphics Feature including charts
- x) Working with Tables
- xi) Mail Merging

Note: (i) In case of Hindi medium, word processing package is “Akshar for Windows” compatible with Word 97.

(ii) Question paper would be on general concepts of Windows and Office rather than specific to a version, i.e. question paper will not be version specific.

Books recommended

Theory Paper

“O” Level, Module-1, Information Technology by V.K. Jain, , BPB Publications.

Chapters: 1,2,6,7,8,11,12,13,14,18

Practical Paper

Book recommended for Windows 95 Easy Guide to Windows 95” by Alan Simpson, BPB Publications (Sybex).

Chapters: 1,2,3,4 and only formatting of floppy disk in chapter 10 Book recommended for MS-Word 97

“The ABCs of Word 97 by Guy Hart-Davis

BPB Publications (Sybex).

Chapters: (i) 1, 2, 3, 5, 7, 9

(ii) Graphs and Chart*

*Note: Inserting Graphics Feature including Chart are not covered in the book recommended above. The Head of Department/Head of office are advised to provide

information to the trainer/trainees that the learning materials for graphs and charts available in Help Menu of Word 97 is recommended. The relevant portion of material on chart and graphs could be accessed by selecting help Menu, contents and index, and then index and type chart in box 1.

Paper- 10: Statistics and Statistical sampling

1. Introduction to Statistical methods:

- i) Definition and nature of statistics
- ii) Collection and scrutiny of data
- iii) Presentation of data:
 - (a) By using paragraphs of texts
 - (b) By putting the data in a tabular form
 - (c) By diagrams: line diagram, band chart bar diagram, pie or divided-bar diagrams and pictorial diagrams

2. Summarization of data:

- i) Qualitative vs. quantitative data.
- ii) Variables: Discrete and Continuous
- iii) Rounding of data
- iv) Scientific Notations
- v) Frequency Distribution
- vi) Class Interval and Class Limits
- vii) Histograms and Frequency polygons
- viii) Commutative-Frequency Distributions and O gives

3. Measures of Central Tendency:

- i) The Arithmetic Mean
- ii) The Weighted Arithmetic Mean
- iii) The Median
- iv) The Mode
- v) Comparison between Mean, Median and Mode
- vi) The Geometric Mean
- vii) The Harmonic Mean

- viii) Comparison Between Arithmetic, Geometric and Harmonic Means

4. Measures of Dispersion:

- i) The Range
- ii) The Variance
- iii) The Standard Deviation
- iv) Quartile Deviation
- v) Coefficient of Variation (CV)

5. Other statistical Measures:

Skewness: Definition & Uses

Kurtosis: Definition & Uses Positively skewed distribution negatively skewed distribution and normal distribution

Use of the descriptive statistics to assess the distribution

6. Elementary Probability Theory:

- i) Definitions of Probability
- ii) Independent and Dependent Events
- iii) Mutually Exclusive Events
- iv) Random Variable
- v) Definitions & uses of Binomial, Poisson Hyper geometric and Normal distributions
- vi) Limiting form of binomial & Poisson distribution (Central Limit Theorem application)
- vii) Importance of different distributions in statistics.

7. Statistical Sampling

- i) What is sampling?
- ii) What is probability sampling?
- iii) Random Samples and Random Numbers
- iv) Advantages of statistical sampling
- v) Sampling error & non-sampling error
- vi) Bias in sampling
- vii) Sampling frame

- viii) Sampling distribution
- ix) Types of sampling methods:
 - a. Simple Random Sampling
 - b. Systematic Random Sampling
 - c. Stratified Random Sampling
 - d. Cluster Sampling
 - e. Probability Proportional to Size Sampling
 - f. Multi-Stage Sampling
- x) Statistical Evaluation:
 - a. Estimation Procedure
 - b. Testing of Hypothesis
- xi) Optimum sample size & sampling error.
Definition, concept and applicability of different methods –method of selection
method of evaluation (only the formulae) and its application in practice to be
understood not the derivation)

8. Risk Analysis & Audit Sampling:

- i) Need for Sampling in audit
- ii) Need for statistical sampling in audit
- iii) Risk Analysis in audit
- iv) Risk Analysis & statistical sampling in audit
- v) Test Checking & Judgemental Sampling
- vi) Judgemental vs. statistical sampling
- vii) Attribute vs. Variable Sampling
- viii) Approach to statistical sampling in audit
- ix) Systematic error vs. random error
- x) Acceptance-Rejection Sampling
- xi) Step-by-step Sampling
- xii) Discovery Sampling
- xiii) Uncertified Mean per unit
- xiv) Stratified Mean per unit
- xv) Monetary Unit Sampling

- xvi) Audit hypothesis testing
- xvii) Compliance vs. substantive testing in audit
- xviii) Application of sampling in audit using IDEA Package

Note: Question paper will be mainly objective type (multiple choice).

Books recommended

- 1) Fundamental of Statistics – Vol.I- Goon, Gupta and Das Gupta-World Press Pvt. Ltd.
- 2) Sampling Techniques – W. G. Cochran – Wiley Publication
- 3) Audit Sampling – an introduction (5th edition) – D. M. Guy etc. – Jhon Wiley Publication.

LOCAL AUDIT BRANCH

PART-I

Sl. No.	Subject	Duration (Hours)	Marks
1.	Constitution of India	2.00	100
2.	Service Regulations (Practical)	2.30	100
3.	Financial Rules and Principles of Government Accounts	2.00	100
4.	Acts of Legislature and Statutory Rules (Local Paper)		
	(i) Theory	1.30	100
5.	(ii) Practical	2.30	100
	Total		500

Note 1: The syllabus for subject (1), (2) and (3) will be the same as for subjects (1), (2), and (3) of Civil Audit Branch.

Paper-4: Acts of Legislature and Statutory Rules (Theory) (without books) (Local Paper)

- i) Jharkhand Panchayat Raj, 2001

- ii) Bihar Municipal Act, 1922
- iii) Bihar and Orissa Public Demand Recovery Act, 1914
- iv) Ranchi Municipal Corporation Act, 2001
- v) Bihar Regional Development Authority Act, 1974
- vi) Bihar and Orissa Local Audit Act, 1925
- vii) Mineral Area Development Authority Act, 1986
- viii) Hazaribag Mines Board Act, 1952
- ix) 73rd and 74th amendments in Constitution and details thereof.

Paper-5 Acts of Legislature and Statutory Rules (Practical) (without books) (Local Paper)

(without books).

- i) Jharkhand State Universities Act, 2000
- ii) Jharkhand Academic Council Act, 2002
- iii) Bihar Agriculture Universities Act, 1987
- iv) Agriculture Produce Market Act, 1960
- v) Bihar Hindu Religious Trust Act

LOCAL AUDIT BRANCH

PART-II

Sl.No.	Paper	Duration (hours)	Maximum Marks
6	Précis and Draft	2.30	100
7	Financial Accounting with Elementary Costing	3.00	100
8	Government Audit	2.30	100
9	Public Works Accounts-Practical	3.00	100
10	Local Rules, Rules and Regulation for Audit and Inspection of Accounts under the Audit	2.30	100

	and inspection of Examiner of Local Fund Accounts. (Practical) (Local Paper) (With books)		
11.	Computer System		
	-Theory	1.00	50
	-Practical	2.00	50
12.	Statistics and Statistical sampling	2.00	100
	Total		700

Paper 6, 7, 8, 9, 11, 12 are common papers of Civil Audit Branch and syllabus is same as detailed against the papers.

Paper-10: Local Rules, Rules and Regulation for Audit and Inspection of Accounts under the Audit and Inspection of Examiner of Local Fund Accounts. (Practical) (Local Paper) (with books)

Paper 10 of Part-II in respect of PAG (Audit), Bihar and AG (Audit), Jharkhand offices:

Books allowed for Jharkhand office:-

- (1) Bihar Financial Rules Vol-I & II
- (2) Bihar Service code (Chapter-VI)
- (3) Bihar T.A. Rules
- (4) Municipal Accounts Rules, 1982
- (5) Municipal Accounts (Recovery of Taxes) Rules, 1951
- (6) Bihar Agriculture Produce Market Rules, 1975
- (7) Rules made under Local Fund Audit Act
- (8) L.A.D. Manual Vol-II
- (9) L.A.D. Manual Vol-III & IV
- (10) Guidelines for certification Audit of accounts of PRI, issued by CAG in July 2002.
- (11) Auditing Standards for Panchayati Raj Institutions and Urban Local Bodies-issued by CAG.
- (12) Manual of Instruction for Audit of PRIs-issued by CAG in December 2002.

(13) National Municipal Accounts Manual.

Part I- General

Introduction

Definition, Accounting Concepts and Accounting conventions

Significant Accounting Principles

Codifications structure and chart of accounts

General Accounting Procedure

Part IV-Others

Accounting and Financial Statements to be prepared viz. Income and Expenditure Account, Receipts and Payments Account, Cash Flow Statement, Balance Sheet. Guidelines for preparation of opening Balance Sheet.

COMMERCIAL AUDIT BRANCH

PART-I

Sl. No.	Subject	Duration (Hours)	Marks
1.	Constitution of India	2.00	100
2.	Service Regulations, Financial Rules Principles of Govt. Accounts and	3.00	100
3.	Government Auditing	3.00	100
4.	Principles of Management and Indian Macro Economic Environment	3.00	100
5.	Commercial Laws and Corporate Tax	3.00	100
	Total		500

Note: The syllabus for subject (1) will be the same as for subject (3) of the Civil Audit Branch.

Paper- 2: Service Regulations, Financial Rules, Principles of Government Accounts and CPWA.

(A) Service Regulations & Financial Rules 70 marks

- i. Central Civil Services (Classification, Control and Appeal) Rules.
- ii. Fundamental Rules (No. 1 of Annexure-I) –Chapter –II Definitions, Chapter-III- General Conditions of Service, Chapter-IV Pay
- iii. CCS(Joining Time)Rules, 1979
- iv. Supplementary Rules SR/24 Definitions, rules relating to Travelling Allowance on Transfer and on Tour
- v. Central Civil Services (Leave) Rules, 1972 (No. 2 of Annexure)
- vi. Government Accounting Rules 1990-Chapter on General outline of the system of accounts
- vii. General Financial Rules (Revised edition, 2005)

(B) CPWA 30 marks

Chapter 2: Definitions

Chapter 3: General outline of system of accounts

Chapter 5: Appropriations

Chapter 6: Cash

Chapter 7: Stores

Chapter 8: Transfer entries

Chapter 9: Revenue Receipts

Chapter 10: Works accounts

Chapter 11: Accounts procedure for lumpsum payments

Chapter 13: Suspense accounts

Chapter 15: Deposit

Chapter 17: Transactions with other Divisions, Departments and Government

Chapter 22: Accounts of Divisional officers

Statement E: Treatment of recoveries of expenditure in the accounts of the Public Works Department.

Paper -3: Government Auditing 100 marks

(A) Government Auditing 75 marks

MSO (Audit) Section I

MSO (Audit) Section II General Principles and Practices of Audit

Chapter 1- General Principles and Practices

Chapter 2- Audit of Expenditure

Chapter 3- Audit of Receipts

Chapter 4- Audit of Accounts of Stores and Stock

Chapter 5- Audit of Commercial Accounts

Section-III: Supplementary Audit Instructions

Chapter 5- Audit of Grants in aid

Chapter 7- Audit of Contracts

Chapter 8- Performance Audit as per Performance Audit Guidelines.

Chapter 13- Audit of borrowings, guarantees, Reserves funds, suspense transactions, loans & advances and interest payments

Chapter: 20- System audit

Chapter 21- Manpower Audit

Chapter 22- Audit of Computerised System

Chapter 23- Internal Audit

Section IV- Public Works Audit

Chapter 1- Scope of audit

Section VI- Inspection and Local Audit

Chapter 1-: General Instructions

Section VII- Results of Audit

Chapter 1- Raising and pursuance of objections

Chapter 2- Detailed procedure for registration and clearance of objections

Chapter 3- Preparation of Audit Reports

Chapter 4:- Submission of Audit Reports and subsequent action Brochure on IA&AD Auditing Standards.

Government Auditing

- i. Directions issued under section 619(3)(a) of the Companies Act, 1956 by C&AG.
- ii. Drafting of comments under section 619(4) of the Companies Act, 1956 from the Audit Memo .- a practical question may be considered.
- iii. Role of COPU.

Question on Draft Para 25 marks

Paper-4: Principles of Management & Indian Macro Economic Environment

A. Principles of Management 80 marks1.

1. Nature and Process of Management: Introduction to Management, Development of Management Thought. Approaches to Managerial Analysis, Management Process and Co-ordination, Managerial analysis, Managerial Hierarchy or levels, Management and Society.
2. Planning: Fundamentals of Planning, Objectives: Decision making and Policy and Strategies
3. Organizing: Organization theory, designing of organization structure, authority and Responsibility, Line and Staff relationships, forms of Organization structure, Groups in Organization, Organizational changes and development.
4. Directing Human factor in Organisation, Motivation, and Communication Leadership.
5. Controlling: Control process, control techniques and special control techniques
6. Production, Planning and Control
7. Operation Research
8. System concept and value analysis
9. Materials, Purchase and stores Management
10. Inventory Control

B Indian Macro Economic Environment 20 marks

- 1 Role of Public sector in India and its problems
- 2 Concept of privatization & disinvestment, methods of disinvestment, valuation of assets & shares
- 3 India's international trade, exports and imports
- 4 WTO structure, features, major trade agreements
- 5 IMF, World Bank and Asian Development Bank (ADB)
- 6 Role of regulatory authorities viz SEBI, IRDA, TRAI, CERC/SERC their guidelines.

Paper- 5: Commercial Laws & Corporate Tax 100 marks

- 1 Companies Act, 1956 Parts I to V, Part VI Chapter I Section 252-293, 299-311 of Chapter II and Part-XIII Section 615 to 620 & provisions relating to Sick companies.
- 2 The Indian Contract Act, 1876
- 3 The Indian Sale of Goods Act, 1930
- 4 The Negotiable Instruments Act, 1881
- 5 Electricity (Supply) Act, 2003
- 6 Road Transport Corporation Act, 1950
- 7 State Financial Corporation Act, 1951
- 8 Securities and Exchange Board of India Act, 1992
9. Foreign Exchange Management Act, 1999 (FEMA)
10. Payment of Bonus Act, 1965
11. Employees Provident Fund Act, 1952
12. Corporate Tax-Income Tax on companies

COMMERCIAL AUDIT BRANCH

PART-II

Sl. No.	Subject	Duration (Hours)	Marks
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6.	Précis and Draft	2.30	100
7.	Advanced Accounting	3.00	100
8.	Commercial Auditing	3.00	100
9.	Cost and Management Accountancy	3.00	100
10.	Financial and Contract Management	3.00	100
11.	Computer System- - Theory - Practical	1.00 2.00	50 50
12.	Statistics and Statistical sampling	2.00	100
	Total		700

Syllabus of Paper 6, 11 and 12 is same as Civil Audit Branch

Paper- 7: Advanced Accounting

1. Basic concepts of accounting: single and double entry, Books of original Entry, Bank reconciliation, Journal, Ledgers, Trial Balance, Rectification of errors, Manufacturing, Trading, Profit & Loss and Profit & Loss Appropriation Accounts; Balance Sheet Distinction between Capital and Revenue Expenditure, Depreciation Accounting, Valuation of inventories, Receipt and Payments and Income & Expenditure Accounts, Bills of Exchange, Self Balancing Ledgers.
- 2 Concept of accounting: Accounting concepts and conventions
- 3 Hire Purchase, Instalments and Royalties Accounts
- 4 Company accounts
- 5 Accounts of Public Utilities enterprises

- 6 Branch and Departmental accounts (including foreign branch accounts)
 - 7 Cash and funds flow statement, Working capital
 - 8 Accounting Standards prescribed under Section 211(3) (C) of the Companies Act, 1956
 - 9 Guidance Notes issued by ICAI.
 10. Accounting Standards of ICAI.
 11. International Public Sector Accounting Standards(IPSAS) of IFAC/IPSAB (available at website <http://www.ifac.org>)
- Note:** 50 percent marks will be on practical including problem relating to Accounting Standards.

Paper- 8: Commercial Auditing

- 1 Nature and Principles of Auditing
- 2 Audit of cash transactions: Receipts and Payments
- 2 Verification of assets
- 3 Audit of Financial statements
- 4 Auditing and Assurance Standards of ICAI
- 5 Audit of Public Sector Undertaking
- 6 Cost audit
- 7 Audit of Insurance companies, Electricity and Non-banking Financial companies
- 8 Special features of audit of:
 - (a) Hotels
 - (b) Shipping companies
 - (c) Finance companies
 - (d) Electricity companies
 - (e) Transport undertakings
 - (f) Social Sector/Welfare Companies
- 9 Introduction to CAAT and usage in auditing
- 10 Companies Auditors' Report Order issued under section 227 (4A) of the Companies Act, 1956.

- 11 Appointment of statutory and internal auditors, their rights, duties, powers remuneration, joint auditors, branch auditors.
- 12 Audit committee: constitution, powers and duties.
- 13 Internal audit, Statutory Audit and Government audit.
- 14 Corporate Governance: ICAI Guidance Note, Clause 49 of SEBI and Section 217 (2AA), 292 A, 274(1)(g) of the Companies Act, 1956.
- 15 INTOSAI Guidelines on Internal Control.
- 16 ASSOSAI Guidelines for Dealing with Fraud and Corruption.

Paper- 9: Cost and Management Accountancy

A. Elementary Costing 30 marks

- 1 Introduction
- 2 The elements of Cost
- 3 Methods of valuing material issues
- 4 Labour: Methods of Remuneration
- 5 Overheads: Classification and distribution
- 6 Overhead: Absorption by production
- 7 Overheads: Administration. Selling and Distribution

B. Cost Accountancy 70 marks

- 1 Books of accounts in cost accounting, Cost accounts Rules & Records
- 2 Job Order /Contract costing
- 3 Process costing, operation cost and operating costing
- 4 Waste, Scrap, Spoilage, defective work, joint products and byproducts
- 5 Marginal costing, differential costs and cost volume profit relationship
- 6 Standard Costing including variance analysis
- 7 Value analysis, Cost reduction, productivity
- 8 Product Pricing.
- 9 Reconciliation of Cost and Financial accounts

Paper- 10: Financial and Contract Management

A. Financial Management 80 marks

- 1 Financial planning and capital structure, sources of financing and costs of financing, Capitalisation
- 2 Functions of Chief Financial Officer
- 3 Financial Statement Analysis (including Ratio analysis)
- 4 Analysis of Cash Flow and Funds Flow Statement
- 5 Concept of operating & financial leverage.
- 6 Budgetary control
- 7 Working Capital Management (including inventory management)
- 8 Aspects of management of Sundry Debtors: Credit Policy, Credit Analysis and Control of receivables
- 9 Investment decisions/appraisals, capital budgeting techniques of evaluation of Investments
- 10 Dividend Policy: Formulation of Dividend Policy-Factors for consideration.
- 11 International Finance: International capital markets, External commercial borrowings, Foreign Exchange Markets, Exchange rates, Forward Contracts, Swaps, Export Import Bank of India (EXIM)
- 12 Concept of risk, Risk & Returns, risk reduction.
- 13 Derivatives, Option and futures, Bond Valuation (awareness level)

B. Contract Management 20 marks

System of audit of contracts for purchase, construction, turnkey contracts, etc.

SYLLABUS OF REVENUE AUDIT EXAMINATION

The following will be the syllabus for the Revenue Audit Examination for Section Officers/Assistant Audit Officers (Civil Branch).

Sl. No.	Subject	Duration (Hours)	Marks
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1.	Income Tax		
	(a) Theory (Without Books)	2.00	100
	(b) Practical (with Books)	3.00	150
2.	Central Excise and Customs Revenue	3.00	150
	Audit		
	Total		350

Paper-1: Income Tax Theory (without books) - Common Paper for all branches

Nature of questions to be asked: 100 Objective questions with multiple choices of one mark each.

Coverage:

- The questions are to be drawn from all chapters of the Income Tax Act, 1961 including taxes on Fringe Benefits and the relevant Finance Acts.
- 60 out of 100 questions will be asked on the subject from chapters given in bracket below covering major concepts like assessee, assessment year, capital and revenue expenditure, capital and revenue receipts, depreciation and other allowances, preliminary and preoperative expenses, deductions and exemptions, rebates, interest, penalties and and prosecutions, tax collection and recovery procedures, refunds and special provisions on corporate taxations.
(Chapter I to VIII, XIIB, XIIE, XIIF XVII to XIX, XXA to XXC and XXI to XXIII of the Income Tax Act, 1961 refers)
- 10 questions will be asked from chapters given in bracket below and covering concepts like assessment procedures, search and seizure, appeal and revisions, Settlement Commission, time limitation prescribed in the Act etc.
(Chapter IX, X , XII, XIIA, XIIG, XIII, XIV, XIVA, XIVB, XV, XVI, XIXA, XIXB and XX of the Income Tax Act, 1961 refers)
- 10 questions will be asked on the recent amendments and developments relating to Direct Taxes in the Finance Acts.

5. 10 questions will be asked on computerization in the Income Tax Department, vigilance and training as contained in chapter 10 to 13 of Manual of General Procedures Vol. I (February 2003 edition) and accounting procedure as contained in chapter 14 of Manual of General Procedure. Vol. II of IT Department prescribed by DIT (O&M Services) CBDT, Department of Revenue in Government of India. (February 2003 edition)
6. 10 questions on general awareness on matters relating to Income Tax such as PAN, filing of returns through computer media, bulk filing of returns eTDS, eTCS procedures etc,

Books prescribed for theory paper:

Income Tax Act, 1961

RA Manual Part-I – Section I and Section II

Income Tax Rules, 1962

Finance Act of the year

The Income Tax Manual compiled by the Director of Inspection, Research, Statistics and Publication Part-I & II (latest edition)

Manual of office procedure Vol.I & Vol.II (Technical) published by Directorate of Income Tax (Organisation and Management Services) – CBDT- Department of Revenue in Government of India. (February 2003 edition)

Income Tax (Practical) with books- common paper for all the branches

1. This paper will contain 6 questions out of which question number 1 will be compulsory and from the remaining 5 non compulsory questions the candidate has to attempt 3 questions.
2. Question number 1 will be on computation of Income on corporate taxations covering the chapters IV, VIA, VI, VIII, XIV and XIX with useful hints if considered necessary in the form of foot notes. Question number 1 will carry 45 marks.
3. In this paper, depth, understanding and analytical ability of the candidates would be assessed. Hence the question will be of semi descriptive and descriptive types.
4. More importance is to be given for the following chapters of the Income Tax Act 1961:

Maximum weightage topics	Weightage in terms of percentage
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Chapter IV Computation of total income

Chapter VIA Deductions to be made – while computing total income : **60%**

Chapter XXI Penalties

Medium weightage topics

Chapter VI Aggregation of income and set off of carry forward losses

Chapter VIII Rebates and relief

Chapter XIV Procedure for assessment **30%**

Chapter XIX Refunds

Less weightage topics

Other chapters not included in the above **10%**

Other three questions will carry 35 marks each. In each question, subdivision (a) will be a practical problem carrying 25 marks and subdivision (b) will carry 10 marks. A candidate must answer both parts (a) and (b) of the question selected by him.

Books allowed for practical paper:

1. Income Tax Act, 1961
2. RA Manual Part-I – Section I and Section II
3. Income Tax Rules, 1962
4. Finance Act of the year
5. The Income Tax Manual compiled by the Director of Inspection, Research, Statistics and Publication Part-I & II (latest edition)
6. Manual of office procedure Vol. I & Vol. II (Technical) published by Directorate of Income Tax (Organisation and Management Services) – CBDT- Department of Revenue in Government of India. (February 2003 edition)

II Syllabus for the paper on ‘Central Excise and Customs Revenue Audit’- common paper for Civil Audit and Commercial Audit Branches.

With a view to assess the aptitude, understanding and conceptual clarity of the candidates who aspire to audit Central Excise and Customs Departments, a mix of objective, semi- descriptive and descriptive questions would be asked and the questions

would represent the major areas of concern in administration of various Acts of Central Excise and Customs including Service Tax. Style and coverage would be as under:

Section 'A'

(Compulsory)

- (i) One question of objective type covering both Central Excise and Customs Act/ Manuals and Service Tax carrying 30 marks.

Section 'B'

Central Excise

- (ii) The candidates will be asked to attempt three questions of 20 marks each out of five. These will be of semi-descriptive and descriptive nature. The coverage would be as under:

- | | |
|--|---------------------|
| (a) Central Excise Act, 1944 (Chapter II&IIA) | One question |
| (b) Central Excise Rules 2002 | One question |
| (c) CENVAT Credit Rules 2002 | One question |
| (d) Central Excise receipt audit including Auditing Standards, Audit Planning, Audit Execution and Audit Reporting - | One question |
| (e) Additional duties of Excise (Goods of special importance) Act, 1957, Additional duties of excise (Textile and Textile Articles) Act, 1978, CBEC Manual of Supplementary Instructions issued on September 2001, Central Excise Tariff Act, 1985, Excise duties and cess Leviable under Miscellaneous Act- | One question |

Section 'C'

Customs and Service Tax

- (iii) The candidates will be asked to attempt three questions out of five questions of 20 marks each. These will be of semi-descriptive and descriptive in nature. The coverage would be as under:

- (a) Customs Act 1962 -**Two questions**
(b) Customs Tariff Act 1975 and Customs Tariff working schedule- **One question**

(c) Revenue Audit Manual Part-II (Customs) 4th Edition specifically on Audit process in Customs department.- **One question**

(d) Service Tax (Finance Act, 1994) as amended from time to time, Service Tax Rules, 1994 -**One question**

General: The paper will be without books except that the books “Central Excise Tariff Working Schedule and Customs Tariff Working Schedule of the year will be allowed for reference in the examination hall.

Revenue Audit Examination for SOs/AAOs (other than Civil)

The following will be the syllabus and subjects:

Sl. No.	Subject	Duration (Hours)	Marks
1.	Income Tax		
	(a) Theory (Without Books)	2.00	100
	(b) Practical (with Books)	3.00	150
2.	Paper II Departmental/Local paper	3.00	150
	Total		350

Paper-1: Syllabus for paper on Income Tax (Paper I) is common to all branches.

Paper-2: Paper (II) of the Revenue Audit Examination for Section Officers, Local Audit Branch, Jharkhand.

1. The Bihar Municipal Manual

- a. The Bihar and Orissa Municipal Act, 1922 - Chapter IV
- b. The Bihar and Orissa Municipal Act, 1925
- c. The Municipal Taxation Act, 1881
- d. The Bihar Municipal Accounts Rules, 1928
- e. The Municipal Water Works Maintenance and House connection Rules
- f. The Bihar Municipal (Stamp Duty) Rules, 1959
- g. Municipal Accounts Rules (Recovery of Taxes), 1951

2. The Patna Municipal Corporation Act, 1951

3. **The Patna Municipal Corporation Accounts (recovery of Taxes) Rules, 1963**
4. **The Bihar Panchayat Raj Act, 1993 & Jharkhand Panchayat Raj Act, 2001**
5. **The Patna University Act, 1961**
6. **The Magadh University Act, 1961**
7. **The Bihar State University (University of Bihar, Bhagalpur, Ranchi) Act, 1960**
8. **University of Bihar Calendar Volume-II**
9. **The Bihar Agricultural University Act, 1987**
10. **The Bihar Agricultural Produce Markets Act, 1960 - Section 2, 15, 16, 27, to 29, 42 to 44, 46 to 49 & 52**
11. **The Bihar Agricultural Produce Markets Rules, 1975 - Rule 68 to 133**
12. **The Bihar Regional Development Authority Act, 1981**
13. **LAD Manual, Volume-II - Chapter II & IV**
14. **LAD Manual, Volume-III - Section III orders applicable to Municipalities Section 123, 125, 127, 132, 145, 146, 147, 148, 159, 162, 172, 173, 180, 181, 183, 184, 187, 189, 191, 208, 209 & 212**
15. **CAG's M.S.O. (Audit) Volume-I**
 - Section II Chapter 1 - General Principles and Practices,
 - Chapter 2 – Audit of Expenditure
 - Chapter 3 – Audit of Receipts,
 - Chapter 6 – Audit of Autonomous Bodies
16. **General Financial Rules (Government of India)**
 - Chapter 2- Rule 3 to 20
 - Chapter 3- Rule 23 (1) to 32
17. **Jharkhand Academic Council Act, 2002**

Paper (II) of Revenue Audit Examination for Section Officers/AAO's in Principal Director of Audit Economic and Service Ministries

Name of Books

1. Manual of the Rent Audit Party (issued by the Accountant General. Commerce, Works & Misc. New Delhi) as amended.

2. Office Manual of the Land and Development Officer Ministry of Works, Housing and Supply. New Delhi as amended.
3. Civil Accounts Manual (Volume I and II)
4. Manual of Office Procedure for Supplies. Inspection and Disposals (issued by them Directorate General of Supplies and Disposals. New Delhi) as amended.
5. Manual of General Instructions for Shipping and Clearance, Published by the D.G.S. & D. New Delhi as amended in November 1999.
6. Indian Contract Act, 1872.
7. Sale of Goods Act, 1930.
8. Conditions of contract governing contracts placed by the Central Purchase Organisation of the Government of India.
9. The Central Excise and Salt Act, 1944.
10. The Salt Cess Act, 1953.
11. The Salt Cess Rules, 1964.
12. Receipts and Payments Rules.

