

method, Least squares method), Testing of hypothesis, Basic concept of testing, Small sample and large sample tests, Tests based on Z, t, Chi-square and F statistic, Confidence intervals.

**Analysis of Variance** - Analysis of one-way classified data and two-way classified data.

**Time Series Analysis** - Components of time series, Determinations of trend component by different methods, Measurement of seasonal variation by different methods.

**Index Numbers** - Meaning of Index Numbers, Problems in the construction of index numbers, Types of index number, Different formulae, Base shifting and splicing of index numbers, Cost of living Index Numbers, Uses of Index Numbers.

**Paper IV: General Studies (Finance and Economics)** for the post of Assistant Audit Officer in Indian Audit & Accounts Department under CAG.

**Part A: Finance and Accounts-(80 marks)**

**1. Fundamental principles and basic concept of Accounting.**

Financial Accounting: Nature and scope, Limitations of Financial Accounting, Basic concepts and Conventions, Generally Accepted Accounting Principles.

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 Appropriation Accounts, Balance Sheet Distinction between Capital and Revenue Expenditure, Depreciation Accounting, Valuation of Inventories, Non-profit organisations Accounts, Receipts and Payments and Income & Expenditure Accounts, Bills of Exchange, Self Balancing Ledgers.

**Part B: Economics and Governance-(120 marks)**

**2. Comptroller & Auditor General of India- Constitutional provisions, Role and responsibility**

**3. Finance Commission-Role and functions**

**4. Basic Concept of Economics and introduction to Micro Economics**

Definition, scope and nature of Economics, Methods of economic study and Central problems of an economy and Production possibilities curve

**5. Theory of Demand and Supply**

Meaning and determinants of demand, Law of demand and Elasticity of demand, Price, income and cross elasticity; Theory of consumer's behaviour-Marshallian approach and Indifference curve approach, Meaning and determinants of supply, Law of supply and Elasticity of Supply.

**6. Theory of Production and cost**

Meaning and Factors of production; Laws of production- Law of variable proportions