

Gurukripa's Guideline Answers for Nov 2015 Exam Questions CA Final – Information Systems Control and Audit

Question No.1 is compulsory.

Answer **any five** questions from the **remaining six** questions. Any four out of five, in Q.No.7

Note: Page References are from "Padhuka's Students' Handbook on Information Systems Control and Audit"

Q.No	Question	Answer/Reference	M
1	XYZ E-Com Ltd is establishing an E-Commerce platform to enable Business to Customer (B2C) process on-line. This platform will offer safe integrated supply process by e-linking Suppliers, Customers and Bankers / Payment Gateways. The Company proposes to keep the system 24 × 7 working over Internet. All concerned will be first registered with the Databases of the Company. All the data shall be stored across servers on Internet-based cloud environment in a secured manner. Read the above carefully and answer the following:		
	(a) If the Employees of the Company are allowed to use personal devices such as Laptop, Smart-Phones, Tablets, etc. to connect and access the data, what could be the security risks involved? Classify and elaborate such risks.	Page No.9.9, Para 9.2.2B [Similar to Q.No.16 / Ch.9]	5
	(b) What are the advantages of using Cloud Computing Environment?	Page No.9.2, Para 9.1.4 [Similar to Q.No.8 / Ch.9]	5
	(c) In this Company, what are your functions as an IS Auditor?	Page No.7.2, Para 7.1.3 [Similar to Q.No.2 / Ch.7]	5
	(d) List and explain the advantages of using Continuous Audit Techniques for the proposed system.	Page No.7.14, Para 7.4.8 [Similar to Q.No.20 / Ch.7]	5
2	(a) 'MIS supports the Managers at different levels to take decisions to fulfill the organizational goals.' Explain the major characteristics of MIS to achieve these goals.	Page No.1.18, Para 1.6.2 [RTP, M 96, M 99, N 13, Qn] [Q.No.4 / Ch.1]	6
	(b) Explain the various plans that need to be designed for Business Continuity Management.	Page No.5.16, Para 5.4.1 to 5.4.4 [Q.No.13, 14, 15, 16 / Ch.5]	6
	(c) 'IT has to provide critical inputs to meet the information needs of all the stakeholders.' Define IT Governance and list out its benefits.	Page No.3.3, Para 3.1.2 & 3.1.7, Point 4 [Similar to Q.No.2 & 7 / Ch.3]	4
3	(a) What is the role of IT in Enterprises? Explain the different levels of managerial activity in an Enterprise.	Page No.1.6 & 1.7, Para 1.3.3 & 1.3.5 [RTP, M 10 Qn, Q.No.12 / Ch.1]	6
	(b) You have been associated with a System Analysis Team. Describe the important factors that you will consider while designing User Input Forms.	Page No.2.30, Para 2.5.7 Input Design Factors	6
	(c) Briefly describe the Key Management Practices provided by COBIT for ensuring IT Compliances.	Page No.3.21, Para 3.4.10 [Q.No.25 / Ch.3]	4
4	(a) 'Crimes are committed by using computers and can damage the reputation, morale and even the existence of an organization.' What are the problems do you think that any organization can face with the result of Computer Crimes?	Page No.4.4, Para 4.1.5 [Q.No.3 / Ch.4]	6
	(b) What are the factors influencing an organization towards controls and audit of Computers?	Page No.4.5, Para 4.2.1 [Similar to Q.No.4 / Ch.4]	6
	(c) As a Member of IS Steering Committee, how do you classify the information for better integrity and security?	Page No.4.20, Para 4.6.1, Point 3 [Q.No.20 / Ch.4]	4

Q.No	Question	Answer/Reference	M
5	(a) What is meant by Information Security Policy? What are the components of a Goods Security Policy?	Page No.6.4 & 6.6, Para 6.2.1 & 6.2.8 [M 13, Similar to Q.No.6 & 10 / Ch.6]	6
	(b) Describe the categories of tests that a Programmer typically performs on a Program Unit.	Page No.2.37, Para 2.7.2 [Q.No.10 / Ch.2]	6
	(c) As per IT (Amended) Act, 2008, describe the power to make the rules by Central Government in respect of Electronic Signature.	Page No.8.4, Para 8.1.5, Point 7 [Q.No.4 / Ch.8]	4
6	(a) As an IS Auditor, what are the Environmental Controls verified by you, while conducting physical inspections?	Page No.7.15, Para 7.5.3, Point 1 [Q.No.22 / Ch.7]	6
	(b) What is the need for an Expert System in an organization? What are its benefits?	Page No.1.30, Para 1.8.4 & 1.8.5 [N 10 Similar to Q.No.25 / Ch.1]	6
	(c) Describe the Service Strategy of ITIL Framework.	Page No.6.13, Para 6.3C.2, Point 1 [Q.No.19 / Ch.6]	4
7	Write short notes on any four of the following:		
	(a) Objectives of IS Audit.	Page No.7.2, Para 7.1.2 [Q.No.1 / Ch.7]	4
	(b) Metrics of Risk Management	Page No.3.17, Para 3.3.11 [Q.No.26 / Ch.3]	4
	(c) SDLC	Page No.2.2, Para 2.1.4 [Q.No.2 / Ch.2]	4
	(d) Third Party Site for Backup and Recovery.	Page No.5.19, Para 5.5.2, 5.5.3 [M 10 Similar to Q. No.20, / Ch.5]	4
	(e) Components of ERP Model	Refer Answer below	4

Components of ERP: ERP Model consists of 4 Components as follows –

(a) Software Component	It is the most visible component and consists of several modules like Relationship Management, Customer Relationship, Business Intelligence, etc.
(b) Process Flow	This Model illustrates the way how information flows among the different modules within an ERP System. This Model enables to understand how ERP System works.
(c) Customer Mindset	To ensure that ERP implementation is successful, the Company should first eliminate the negative values or beliefs that Users may carry toward utilizing new system. Users' resistance to ERP, e.g. Old System is more understandable, more comfortable, etc. should be overcome properly.
(d) Change Management	In ERP implementation, change needs to be managed at various levels like User Attitude, Resistance to Change, and Business Process Changes.