

Roll No.
Total No. of Questions – 7
Time Allowed – 3 Hours

FINAL
GROUP-II PAPER-6
INFORMATION SYSTEMS
CONTROL AND AUDIT

NOV 2014

Total No. of Printed Pages – 4
Maximum Marks – 100

PTR

Answers to questions are to be given only in English except in the case of candidates who have opted for Hindi Medium. If a candidate has not opted for Hindi Medium, his/her answers in Hindi will not be valued.

Question No. 1 is compulsory.

Candidates are also required to answer any five questions from the remaining six questions.

Marks

1. XYZ Limited is a multinational company engaged in providing financial services worldwide. Most of the transactions are done online. Their current system is unable to cope up with the growing volume of transactions. Frequent connectivity problems, slow processing and a few instances of phishing attacks were also reported. Hence the Company has decided to develop a more robust in-house software for providing good governance and efficient use of computer and IT resources. You, being an IS auditor, has been appointed by the Company to advise them on various aspects of project development and implementation. They want the highest levels of controls in place to maintain data integrity and security with zero tolerance to errors.

PTR

P.T.O.

(2)

PTR

Marks

The Company sought your advise on the following issues :

- (a) What are the major data integrity policies you would suggest ? 5
 - (b) What are the categories of tests that a programmer typically performs on a program unit ? 5
 - (c) Discuss some of the critical controls required in a computerized environment. 5
 - (d) What are your recommendations for efficient use of computer and IT resources to achieve the objectives of 'Green Computing' ? 5
2. (a) ABC Ltd. is a security market intermediary, providing depository services. Briefly explain the relevant requirements with respect to annual systems audit mandated by SEBI in this regard. 6
- (b) Discuss some of the pertinent objectives in order to achieve the goals of Cloud Computing. 6
- (c) As an IS auditor, what are the risks reviewed by you relating to IT systems and processes as part of your functions ? 4
3. (a) Modern business uses Information Technology to carry out basic functions including systems for sales, advertisement, purchase, management reports etc. Briefly discuss some of the IT tools crucial for business growth. 6

PTR

(3)

PTR

Marks

- (b) Mr. 'X' has opened a new departmental store and all the activities are computerized. He uses Personal Computers (PCs) for carrying out the business activities. As an IS auditor, list the risks related to the use of PCs in the business of Mr. 'X' and suggest any two security measures to be exercised to overcome them. **6**
- (c) What do you understand by IT Governance ? Write any three benefits of IT Governance. **4**
4. (a) As an IS auditor, what are the output controls required to be reviewed with respect to application controls ? **6**
- (b) You are appointed by a leading enterprise to assess and to evaluate its system of IT internal controls. What are the key management practices to be followed to carry out the assignment complying with COBIT 5 ? **6**
- (c) Discuss briefly, the four phases of Information Security Management System (ISMS) prescribed by ISO 27001. **4**
5. (a) While doing audit or self assessment of the BCM Program of an enterprise, briefly describe the matters to be verified. **6**
- (b) What do you mean by an Expert System ? Briefly explain some of the properties that potential applications should possess to qualify for an expert system development. **6**
- (c) What are the repercussions of cyber frauds on an enterprise ? **4**

PTR

P.T.O.

(4)

PTR

Marks

6. (a) Compared to traditional audit, evidence collection has become more challenging with the use of computers to the auditors. What are the issues which affect evidence collection and understanding the reliability of controls in financial audit ? **6**
- (b) Define the Agile model of software development and discuss its strengths. **6**
- (c) Explain the objectives of Business Continuity Management Policy briefly. **4**
7. Write short notes on any four of the following : **4×4=16**
- (a) Operating System Security
- (b) Internal Controls as per COSO
- (c) Risk, Vulnerability and Threat
- (d) Types of backups
- (e) Design of database

PTR