Gurukripa's Guideline Answers to Nov 2012 Exam Questions Final Group II – Information Systems Control and Audit

Question 1 is compulsory. **(4 × 5 = 20 Marks)**

Answer **any five** questions from the **remaining six** questions **(16 × 5 = 80 Marks).** [Answer any 4 out of 5 in Q.7]

	Question	Answer	Marks
1.	ABC Appliances Limited is a popular Marketing Company, which has many Branches located in different places. It does all its business activities such as receiving orders, placing orders, payments, receipts, etc. through online. With increased business activities, the Company faces several problems with the existing information system. It realizes that the existing system is outdated and needed improvement. Hence, it wishes to enhance the existing system with adequate measures for information security in order to ensure the smooth functioning of new information system and protect the Company from loss or embarrassment caused by security failures. To develop such a new system, the Company has formed a System Development Team with professionals like Project Managers, System Analysts and System Designers. The Team has executed all the phases involved in the SDLC and implemented the new system successfully. Finally, the Post Implementation Review has also been conducted to determine whether the new system adequately meets present business requirements and the Company is satisfied with the PIR report. Read the above carefully and answer the following:		
	(a) State the advantages of SDLC from the perspective of the IS Audit. **[N 10]**	**Page No.2.5, Q.No.6**	5
	(b) Being an IS Auditor, what objectives can you set for the audit of systems under development and how can you achieve your objectives?	**Refer Note below**	5
	(c) Suggest some points that may be considered for establishing better information protection.	**Page No.11.3, Q.No.5**	5
	(d) What are the activities to be undertaken during the Post Implementation Review?	**Page No.4.17, Q.No.40**	5
2.	(a) XYZ Ltd is a large Multinational Company with Offices in many locations. It stores all its data in just one centralized computer centre. It uses Internal Controls in order to asset safeguarding, data integrity, system efficiency and effectiveness. What could be the inter–related components of its Internal Control? Discuss them briefly.	**Page No.3.2, Q.No.2**	6
	(b) What is meant by EIS? What are its characteristics? **[M 01, N 03, N 05, N 08]**	**Page No.1.27, Q.No.20, 21**	6
	(c) Explain any four features of Electronic Mail.	**Page No.1.34, Q.No.41, Pt 1**	4
3.	(a) Threat is any circumstance or event with the potential to cause harm to an information system. What can be the threats due to cyber crimes? **[M 09, N 09]**	**Page No.7.3, Q.No.4**	6
	(b) What is the skill set expected from an IS Auditor?	**Page No.3.7, Q.No.14**	6
	(c) In Information Technology (Amended) Act, 2008, what do Section 25 and Section 26 say about Suspension of License to issue Electronic Signature Certificate?	**Page No.12.10, Q.No.18**	4
4.	(a) Access to information and business processes should be controlled on the business and security requirements. In that case, what can be the detailed control and objectives with respect to Information Security Management Standard?	**Page No.10.6, Q.No.11**	6
	(b) During the review of hardware, how will you review the change in the Management Controls?	**Page No.6.13, Q.No.22, Pt 3**	6
	(c) Describe the duties of Certifying Authority in respect of Digital Signature under Section 30 of Information Technology (Amended) Act 2008. **[N 02, N 05, N 07]**	**Page No.12.11, Q.No.18**	4

	Question	Answer	Marks
5.	(a) Any system has to posses few key characteristics to qualify for a true Enterprise Resource Planning Solution. What are they?	**Page No.9.3, Q.No.7**	6
	(b) What are the characteristics of a Good Coded Program?	**Page No.2.33, Q.No.18**	6
	(c) What are the points to be included when the documented audit program is developed?	**Page No.11.13, Q.No.29,30,31**	4
6.	(a) What is the scope of IS Audit Process? Explain the categories of IS Audit.	**Page No.3.7, Q.No.13, Page No.3.8, Q.17**	6
	(b) What are the elements to be included in the methodology for the development of Disaster Recovery / Business Resumption Plan? **[N 08]**	**Page No.8.9, Q.No.21**	6
	(c) What are the goals of Business Continuity Plan? **[N 08]**	**Page No.8.2, Q.No.5**	4
7.	(a) Business Engineering. **[N 05, N 10]**	**Page No.9.5, Q.No.12**	4
	(b) Constitution of Cyber Regulations Advisory Committee under Section 88 of Information Technology (Amended) Act 2008.	**Page No.12.28, Q.No.46**	4
	(c) Limitations of MIS. **[M 06]**	**Page No.1.19, Q.No.9**	4
	(d) Basic ground rules for protecting computer held information system.	**Page No.11.3, Q.No.6**	4
	(e) Domains of COBIT.	**Page No.10.13, Q.No.25**	4

Answer to Question 1(b):

Objectives for Audit of Systems under Development	**Procedure to examine compliance with objectives**
• To verify whether the systems under development meet the objectives of the organisation, • To ensure that the systems are developed in accordance with generally accepted standards for Systems Development. • To determine whether the new system adequately meets present business requirements. • To see whether there are adequate measures for information security in order to ensure the smooth functioning of new information system, • To examine whether the new system can protect the Company from loss or embarrassment caused by security failures.	**Refer Page No.3.7, Q.No.16**