

Gurukripa's Guideline Answers to May 2014 Exam Questions CA Final Information Systems Control and Audit

Question No.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]

Note: All Page Numbers and Paragraph References given below are taken from Padhuka's Students' Handbook on Information Systems Control and Audit – For CA Final as applicable for May 2014 Exams – as per 4th Edition May 2013

	Question	Answers Refer	Marks
1.	Software Development is an integrated process, spanning the entire IT Organization. ABC Technologies Ltd is a leading Company in the field of Software Development of various domains. The Company is committed to follow System Development Life Cycle (SDLC) with best practices for its different activities. A System Development Methodology is a formalized, standardized, documented set of activities that Analysts, Designers and Users can come out to develop and implement an Information System which contains appropriate controls for all its phases so as to retain records in Electronic Format with reasonable level of security. Read the above carefully and answer the following:		
	(a) As a part of System Development Team, the System Analysts prepare a document called the 'System Requirement Specification' (SRS). Describe the contents of SRS for a typical software development.	Page No.2.24 Q.No.39	5
	(b) Describe the provisions for retention of Electronic Records under Section 7 of Information Technology (Amendment) Act, 2008.	Page No.12.6 Q.No.11 Point 3	5
	(c) Explain the role of Auditor in Information Processing System Design through SDLC.	Page No.4.1 Q.No.2 to 9	5
	(d) 'Security Requirement should be identified and agreed prior to the development of Information System. This begins with analysis, specification and provides controls at every stage.' Discuss the 'Control and Objectives' of System Development and Maintenance area of Information Security Management.	Page No.11.10 Q.No.22 + Page No.11.18 Point 3	5
2.	(a) What facilities are available in Treasury Cash Management of an ERP Package? Explain.	Page No.9.20 Point 5.1	6
	(b) Discuss the issues to be addressed in 'Access Control' under Information Security Policy.	Page No.11.10 Q.No.19	6
	(c) Describe the strength of Waterfall Approach to System Development.	Page No.2.5 Q.No.9	4
3.	(a) What do you mean by Encryption? Differentiate between Private Key Encryption and Public Key Encryption.	Page No. 5.4 Q.No.7 & 8	6
	(b) In a computer-held Information System, what types of protection an organization can use to prevent leakage or misuse of Information? Explain.	Page No.11.3 Q.No.5,6,7	6
	(c) While auditing a Disaster Recovery Plan (DRP) for Information Technology (IT) Assets, what concerns are required to be addressed? Briefly explain.	Page No.8.22 Q.No.44	4
4.	(a) Describe the various threats to the Computerized Environment due to Cyber Crimes.	Page No.7.4 Q.No.4	6
	(b) Briefly describe the advantages and disadvantages of Continuous Auditing Techniques.	Page No.6.23 Q.No.38,39	6

	Question	Answers Refer	Marks
	(c) Discuss the methodology of developing a Business Continuity Plan.	Page No.8.3 Q.No.6	4
5.	(a) Describe the major pre-requisites of a Management Information System to make it an effective tool.	Page No.1.18 Q.No.6	6
	(b) Briefly explain about various categories of Software Maintenance used in System Development Life Cycle (SDLC).	Page No.2.41 Q.No.40	6
	(c) Mr. A is regularly sending obscene in electronic form to Ms. B. When Ms. B made a complaint to Police, it was found that all the communications were sent through XYZ Network Service Provider. Police have held both Mr. A & XYZ Network Service Provider as liable for this Act. Suggest under what provisions of Information Technology (Amendment) Act, 2008, the XYZ Network Service Provider can get exemption from the liability? Also discuss the relevant provisions of the above section.	Page No.12.17 & 12.20 (Sec.67,79) Q.No.33	4
6	(a) Explain the various Financial Control Techniques used in Information System Control.	Page No.3.14 Q.No.27	6
	(b) An Owner of a small local store is currently using Manual System for his day to day business activities viz. Purchase, Sales, Billing, Payments, Receipts, etc. in the last few years, turnover of the store is increased manifold and now it has become increasingly difficult to handle all these activities manually. You being an IT Expert and his Auditor, are requested to suggest which Operation Support System will be most suitable for him. Also advise him what activities can be performed by the proposed system and what are the major limitations of it.	Suggestion: MIS Page No.1.18 Q.No.7, 9	6
	(c) As per Legal theory of Torts, which kind of Insurance you would suggest to cover the risk of loss? Briefly explain.	Page No.8.13 Q.No.27 Point.3	4
7	Write short notes on any FOUR of the following:		4×4=16
	(a) Continuous and Intermittent Simulation (CIS)	Page No.6.22 Q.No.35	
	(b) HIPAA	Page No.10.19 Q.No.35,36	
	(c) Risk Assessment	Page No.7.8 Q.No.15	
	(d) Information System (IS) Security Objective	Page No.11.2 Q.No.3	
	(e) COBIT 5 Enablers	Page No.10.15 Q.No.29	