

Note: The question numbers 23, 48, 49 and 50 have been revised. Students are advised to keep a note of the same.

Paper 7A: Enterprise Information Systems (New Course)

1. During an audit of financial transactions in an enterprise XYZ, it was found that simple errors of data entry were occurring when two digits that were either individual or part of larger sequence of numbers were reversed when posting a transaction. Which type of error is this?

- (a) Addition Error
- (b) Truncation Error
- (c) Substitution Error
- (d) Transposition Error

2. While Auditing the Input Controls in an enterprise ABC, which of the following controls will not fall under the purview of Input Controls?

- (a) Source Document Controls
- (b) Data Coding Controls
- (c) Boundary Controls
- (d) Batch Controls

3. Which are the controls that are responsible for maintaining a chronology of the events from the time a sender dispatches a message to the time a receiver obtains the message?

- (a) Boundary Controls
- (b) Communication Controls
- (c) Input Controls
- (d) Database Controls

4. In ABC, financial institution, the authorized officials identified existence of numerous accounts numbers of inactive accounts in their usage data of active customers. Complaint was reported to their IT team. Which type of controls can be exercised by the IT Team in the given case?

- (a) Corrective Controls
- (b) Detective Controls
- (c) Preventive Controls
- (d) Compensatory Controls

5. Mr. X entered into a contract with Mr. Y for purchase of house hold products via online stores on Cash on Delivery (CoD). As per the terms, it was to be delivered within 3 days of the order placed. Due to delivery on the fourth day, Mr. X denied for the performance of the contract. This can be said to be a _____.

- (a) Risk associated with controls
- (b) Risk associated with security
- (c) Risk associated with transaction
- (d) Risk associated with e-Commerce

6. XBL bank gave an undertaking to the third party for the supply of goods /services to pay amount of Rs. 2 crore on behalf of the Mr. X, a business man, provided the terms and conditions of the undertaking are complied with. This service of banks is known as -

- (a) Issuing letter of Guarantee
- (b) Issuing letter of Comfort
- (c) Issuing letter of Credit
- (d) Issuing letter of Understanding

7. Under Data Resource Management Controls, _____ controls are designed to prevent unauthorized individual from viewing, retrieving, computing or destroying the entity's data in any organization.

- (a) Access
- (b) Backup
- (c) Concurrency
- (d) Quality

8. Name the Module in ERP - Business Process Modules that includes the software designed specifically for production planning and management.

- (a) Production Planning
- (b) Material Management
- (c) Sales and Distribution Module
- (d) Supply Chain Module

9. Which of the following does not form part of Human Resource (HR) Management?

- (a) Training and Development
- (b) Career Development
- (c) Leadership Management
- (d) Invoicing

10. In his work place, an employee Mr. X wants to maintain a record of physical receipts of goods purchased from a vendor Mr. G in his Accounting System. Which Voucher type shall he use?

- (a) Delivery Note
- (b) Receipt Note
- (c) Sales

(d) Purchase

11. Which of the following transactions are not recorded in the Voucher Type "Contra" of the Accounting System?

(a) Cash deposit in bank

(b) Cash withdrawal from bank

(c) Cash transfer from one location to another

(d) Recording of all types of trading sales by any mode

12. In a 3-Tier Architecture, name the layer that is responsible of receiving the inputs from the users and perform certain validations.

(a) Application Layer

(b) Database Layer

(c) Operating System Layer

(d) Network Layer

13. An aspiring CA in his interview CA was asked to provide correct sequence of the following sub-processes that represent Accounting Process Flow. The sub processes are - (1) Source Document, (2) Financial Statement, (3) Adjustments (4) Ledger, (5) Adjusted Trail Balance, (6) Closing Entries, (7) Journal and (8) Trial Balance. What should be the answer?

(a) (1)-(2)-(3)-(4)-(5)-(6)-(7)-(8)

(b) (4)-(3)-(7)-(6)-(1)-(2)-(8)-(5)

(c) (1)-(7)-(4)-(8)-(3)-(5)-(6)-(2)

(d) (8)-(5)-(3)-(1)-(2)-(4)-(6)-(7)

14. Which feature of Operating Systems helps in allocating resources to make optimum utilization of resources?

(a) User Interface

(b) Memory Management

(c) File Management

(d) Task Management

15. "Installation of Firewalls" in a telecommunication network is a classic example of _____ controls under Information Systems' Controls.

(a) Managerial

(b) Application

(c) Preventive

(d) Corrective

16. Which feature of Operating Systems controls how memory is accessed and also maximizes the memory availability and storage?

- (a) User Interface
- (b) Memory Management
- (c) File Management
- (d) Task Management

17. Under Asynchronous attacks in a telecommunication network systems, _____ involves spying on information being transmitted over communication network.

- (a) Wire-tapping
- (b) Data Leakage
- (c) Subversive attacks
- (d) Piggybacking

18. Provide the correct sequence of phases of Program Development Life Cycle. (1) Operations and Maintenance, (2) Coding, (3) Control, (4) Design, (5) Testing and (6) Planning

- (a) (4)-(6)-(2)-(3)-(1)-(5)
- (b) (6)-(3)-(4)-(2)-(5)-(1)
- (c) (1)-(6)-(3)-(5)-(4)-(2)
- (d) (3)-(5)-(2)-(1)-(6)-(4)

19. In ABC, financial institution, the authorized officials identified existence of numerous accounts numbers of inactive accounts in their usage data of active customers. Complaint was reported to their IT team. Which type of controls can be exercised by the IT Team in the given case?

- (a) Corrective Controls
- (b) Preventive Controls
- (c) Detective Controls
- (d) Compensatory Controls

20. Mr. Hope of Delhi ordered raw material for manufacturing of products for domestic use from supplier in Kolkata. Service to deliver the raw material was fixed "within 10 days from the date of order". State the subsequent stage of order to cash cycle-

- (a) Collections
- (b) Invoicing
- (c) Delivery Note
- (d) Order Fulfillment

21. An organization ABC used to make payment of the salaries to its employees by transferring of funds to their saving accounts. This mode of transfer made by ABC is _____.

- (a) Remittances
- (b) ECS Credit
- (c) ECS Debit
- (d) Deposits

22. Mr. Mysterious used to chat on Internet under the name of Ms. Ritu. He also gave her landline telephone number for further chatting. Ms. Ritu was a senior executive of the credit rating information sources of India Ltd. Mr. Mysterious was employed as financial analyst but had been forced to terminate the job earlier. Ritu started receiving mischievous calls. In the light of the given facts, state the liability of Mr. Mysterious within the purview of the Information Technology Act, 2000.

- (a) Punishable for offence related to web defacement
- (b) Punishable for phishing and email scam
- (c) Theft of confidential information
- (d) Harassment via fake public profile on social networking site.

23. X, sitting at his home through his computer, hacks the data of valuable customers of ABC Ltd that was saved in Y's computer and then sold this data to the competitor of ABC Ltd. This act of X is ____.

- (a) Source code theft
- (b) Theft of confidential information
- (c) Email Account hacking
- (d) Hacking

24. Which of the following is not a rule to be followed while Voucher Numbering?

- (a) Voucher number must be unique.
- (b) A voucher number may either have prefix or suffix or both.
- (c) Voucher numbers may be numbered randomly.
- (d) Every voucher type shall have a separate numbering series.

25. Which of the following statement is not true for Internal Control System?

- (a) Facilitates the effectiveness and efficiency of operations.
- (b) Helps safeguarding the assets of the entity.
- (c) Assists compliance with applicable laws and regulations.
- (d) Helps ensure the reliability of only Internal Financial Reporting and not External Financial Reporting.

26. Which of the following is not an advantage of Flowchart?

- (a) If any modification is required in a flowchart, it can be easily done.

- (b) Its a blueprint of a system that can be broken down into detailed parts of a study.
- (c) Acts as a guide during the system analysis and program preparation phase.
- (d) Aid in communicating the facts of a business problem to those whose skills are needed for arriving at the solution.

27. Arrange sequentially the following steps involved in General Ledger Process?

- (i) Posting of transactions.
 - (ii) Reviewing Transactions.
 - (iii) Generating Financial Reports
 - (iv) Entering Financial transactions into the system.
 - (v) Approving transactions.
- (a) (iv), (i), (ii), (v), (iii)
 - (b) (i), (ii), (iii), (iv), (v)
 - (c) (iv), (ii), (v), (i), (iii)
 - (d) (v),(iv),(i), (iii), (ii)

28. Arrange sequentially the activities involved in Sales and Distribution Module?

- (i) Inventory Sourcing
 - (ii) Payments
 - (iii) Billing
 - (iv) Pre-Sales Activities
 - (v) Sales Order Processing
 - (vi) Delivery
- (a) (i), (ii), (vi), (iv), (v), (iii)
 - (b) (iv), (v), (i), (vi), (iii),(ii)
 - (c) (iv),(v),(i), (ii), (vi), (iii)
 - (d) (i), (vi), (ii), (v), (iii), (iv)

29. Which of the following is not a technique of Cryptography?

- (a) Transposition
- (b) Substitution
- (c) Product Cipher
- (d) Transcription

30. In an ERP System, which of the following is not true about integration of Modules with Financial and Accounting System?

- (a) Master data across all the modules must be same.
- (b) Common transaction data must be shared with other modules wherever required.

- (c) Common Voucher types to be used for each module for easy integration of department recording it.
 - (d) Separate Voucher types to be used for each module for easy identification of department recording it.
31. Tick the incorrect statement.
- (a) In Relational Database model, the named columns of the relation are called Domain.
 - (b) In Relational Database model, a Relation is a table with rows and columns
 - (c) In Relational Database model, the named columns of the relation are called Attributes.
 - (d) In Relational Database model, the Domain is the set of the values an attribute can take.
32. In computer network packet switching, _____
- (a) all packets pass through a common path.
 - (b) all packets arrive at the destination out of order.
 - (c) the receiving device restores the packets in the same order it receives them.
 - (d) all packets arrive at the destination in order.
33. Which of the following is not a type of Data Resource Management Controls under Managerial Controls?
- (a) Existence Controls
 - (b) Concurrency Controls
 - (c) Production Controls
 - (d) Quality Controls
34. Which of the following does not fit into best practices while dealing with passwords in order to avoid system failures?
- (a) Periodic change of passwords
 - (b) Unlimited number of entry attempts
 - (c) Minimum password length
 - (d) Hashing of passwords
35. Under emerging BYOD (Bring your Own Device) Threats, _____ risk refers to the data lost from stolen or lost devices.
- (a) Network
 - (b) Application
 - (c) Device
 - (d) Implementation

36. In Cloud Computing, which of the following instance of Software as a Service (SaaS) allows users to explore functionality of Web services such as Google Maps, Payroll Processing, and credit card processing services.

- (a) API as a Service (APIaaS)
- (b) Testing as a Service (TaaS)
- (c) Email as a Service (EaaS)
- (d) Data as a Service (DaaS)

37. Which activity is not incorporated during audit of Environmental Controls?

- (a) Backup Power
- (b) Water Detection
- (c) Fire detection and Suppression
- (d) Guards and Dogs

38. As an Information Systems Auditor, mention the activity that does not form part of audit of Logical Access Controls?

- (a) Access Violations
- (b) Intrusion Detection and Prevention
- (c) Backup Power
- (d) Shared Accounts

39. In a three-tier architecture, which layer is responsible for performing certain validations like, if the user is authorized to request the transaction or not?

- (a) Application Layer
- (b) Presentation Layer
- (c) Database Layer
- (d) Session Layer

40. Suggest the control required to address the concerns raised with the following risk - "As everybody is connected to a single system and central database, in case of failure of system, the whole business may come to stand still and may get affected badly."

- (a) This can be controlled and monitored by having proper and updated backup of data as well as alternate hardware/internet arrangements.
- (b) This can be controlled by removing redundant data, using techniques like data warehousing and updating hardware on a continuous basis.
- (c) Access rights need to be defined carefully and to be given on "Need to know" and "Need to do" basis only.

- (d) This can be controlled and minimized with the help of proper staff training system, having help manuals, having backup plans for staff turnover etc.

41. Suggest the control required to address the concerns raised with the following risk - "As data is maintained centrally, gradually the data size becomes more and more and it may reduce the speed of operation."

- (a) This can be controlled and monitored by having proper and updated backup of data as well as alternate hardware/internet arrangements.
- (b) This can be controlled by removing redundant data, using techniques like data warehousing and updating hardware on a continuous basis.
- (c) Access rights need to be defined carefully and to be given on "Need to know" and "Need to do" basis only.
- (d) This can be controlled and minimized with the help of proper staff training system, having help manuals, having backup plans for staff turnover etc.

42. In an Accounting Business Process Cycle, arrange the sub - processes in order.

- (i) Journal (ii) Ledger (iii) Financial Statement
- (iv) Closing Entries (v) Source Document (vi) Trial Balance
- (vii) Adjusted Trial Balance (viii) Adjustments
- (a) (v), (i), (vii), (iii), (ii), (iv), (vi), (viii)
- (b) (i), (ii), (iii), (viii), (vii), (vi), (v), (iv)
- (c) (v), (i), (ii), (vi), (viii), (vii), (iv), (iii)
- (d) (ii), (i), (v), (viii), (iv), (iii), (vi), (vii)

43. As a telecommunication network operator, which internetworking device will you suggest for regenerating the signal over the same network before the signal becomes too weak or corrupted?

- (a) Bridge
- (b) Router
- (c) Hub
- (d) Repeater

44. In this transmission mode, the data flows in one direction, but not both at the same time. Which transmission mode are we referring to?

- (a) Simplex
- (b) Half-Duplex
- (c) Duplex
- (d) Packet Switching

45. A Business Continuity Plan (BCP) is an example of _____.

- (a) Managerial
- (b) Application
- (c) Preventive
- (d) Corrective

46. In telecommunication network, _____ is the act of following an authorized person through a secured door or electronically attaching to an authorized telecommunication link that intercepts and alters transmissions. This involves intercepting communication between the operating system and the user and modifying them or substituting new messages.

- (a) Wire tapping
- (b) Piggybacking
- (c) Subversive attacks
- (d) Data Leakage

47. One amongst the list is a not a threat.

- (a) Virus
- (b) Trojan
- (c) Worm
- (d) Firewall

48. Which type of risk a company is not vulnerable to when it adopts Bring Your Own Device (BYOD)?

- (a) Availability Risk
- (b) Device Risk
- (c) Application Risk
- (d) Implementation Risk

49. Database Management Systems (DBMS) helps the organization to do various operations on the files except _____.

- (a) Adding or deleting files from database
- (b) Inserting or modifying existing files
- (c) Retrieving or deleting data from existing files
- (d) Duplicating Files

50. A bank shares financial data of borrower with third party without consent of borrower. The bank has violated _____ of Sensitive Information and Personal Data Rules, 2011.

- (a) Rule 3
- (b) Rule 4
- (c) Rule 5
- (d) Rule 6

Solution

1	(d)	11	(d)	21	(c)	31	(a)	41	(b)
2	(c)	12	(a)	22	(d)	32	(b)	42	(c)
3	(b)	13	(c)	23	(d)	33	(c)	43	(d)
4	(b)	14	(d)	24	(c)	34	(b)	44	(b)
5	(d)	15	(c)	25	(d)	35	(c)	45	(d)
6	(c)	16	(b)	26	(a)	36	(a)	46	(b)
7	(a)	17	(a)	27	(c)	37	(d)	47	(d)
8	(a)	18	(b)	28	(b)	38	(c)	48	(a)
9	(d)	19	(c)	29	(d)	39	(a)	49	(d)
10	(b)	20	(c)	30	(c)	40	(a)	50	(d)