

Roll No.

Total No. of Questions – 6

Total No. of Printed Pages – 7

Maximum Marks – 70

GENERAL INSTRUCTIONS TO CANDIDATES

1. The question paper comprises two parts, Part I and Part II.
2. Part I comprises Multiple Choice Questions (MCQs).
3. Part II comprises questions which require descriptive type answers.
4. Ensure that you receive the question paper relating to both the parts. If you have not received both, bring it to the notice of the invigilator.
5. Answers to Questions in Part I are to be marked on the OMR answer sheet only. Answers to questions in Part II are to be written on the descriptive type answer book. Answers to MCQs, if written in the descriptive type answer book, will not be evaluated.
6. OMR answer sheet will be in English only for all candidates, including for Hindi medium candidates.
7. The bar coded sticker provided in the attendance register, is to be affixed only on the descriptive type answer book. No bar code sticker is to be affixed on the OMR answer sheet.
8. You will be allowed to leave the examination hall only after the conclusion of the exam. If you have completed the paper before time, remain in your seat till the conclusion of the exam.
9. Duration of the examination is 3 hours. You will be required to submit (a) Part I of the question paper containing MCQs, (b) OMR answer sheet thereon and (c) the answer book in respect of descriptive type answer book to the invigilator before leaving the exam hall, after the conclusion of the exam.
10. The invigilator will give you acknowledgement on Page 2 of the admit card, upon receipt of the above-mentioned items.
11. Candidate found copying or receiving or giving any help or defying instructions of the invigilators will be expelled from the examination and will also be liable for further punitive action.

PART – II

70 marks

1. Question paper comprises 6 questions. Answer Question No. 1 which is compulsory and any 4 out of the remaining 5 questions.
2. Answers to the 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 evaluated.

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PART – II

1. ABC Ltd. is planning to set-up an automated steel production plant. Steel plant is very labor intensive and coal is the major ingredient in steel manufacturing. After conducting thorough investigations and extensive cost-benefit analysis, the top-management of ABC Ltd. decided to set-up the plant at a location nearer to coal mines where labor and coal is available at very cheap rates. It was also decided to perform the key business operations using IT. To accomplish the performance of key business operations, the management decided to develop a new system using SDLC approach of system development. The vision of the company is to be profitable and also to demonstrate good corporate citizenship through environmental awareness, ethical behaviour and sound governance practices. Establishment of a sound internal control practice plays an important role in good corporate governance. A consultant was hired to do risk assessment and to identify and analyze the relevant risks related to the chosen location. After careful analysis of the location, the consultant submitted his report to the management pointing therein:

- That the selected location is prone to earthquake exposure and suggested that to survive and to provide uninterrupted services, the management should plan in advance to deal with sudden disruptions

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on the happening of earthquake to ensure business continuity, and continuity of supply and logistics. The management was also advised to make an adequate provision for backup facilities in another geographical location.

- In addition to developing a test plan to ensure the effectiveness of disaster recovery/business resumption plan, it is also necessary to develop an audit procedure. The audit process ensures that the plan is adequate as well as current.
- Establish controls in system development activities to ensure that the system is developed according to established policies and procedures, well within the budget and budgeted time.

Read the above carefully and answer the following questions:

- (a) System development controls are targeted to ensure that proper documentations and authorizations are available for each phase of the system development process. Explain the six activities that deal with System Development Controls in IT setup. 6
- (b) In a computerized environment, the goals of asset safeguarding, data integrity, system efficiency, and system effectiveness can be achieved only if an organization's management sets up a system of internal controls. Explain the five interrelated components of Internal Controls as specified by Committee of Sponsoring Organizations (COSO). 5

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- (c) The objective of BCP audit is to assess the ability of the enterprise to 3
continue all critical operations during a contingency and recover from
a disaster within the defined critical recover time period. Explain any
three aspects related to Administrative Procedures of the enterprise
that should be reviewed by the BCP auditor.

2. (a) The Reserve Bank of India is India's central banking institution, which 6
formulates the monetary policy with regard to the Indian rupee.
Primarily, RBI suggests that senior management and regulators need
an assurance on the effectiveness of internal controls implemented.
Explain any six requirements of Reserve Bank of India (RBI) for
System Controls of Financial Institutions.

- (b) Alternate processing arrangements are essential to business continuity 5
and disaster recovery planning. Explain briefly the back up options
available before security administrators in this regard.

- (c) COBIT has a specific focus on compliance activities within the frame 3
work and explains how they fit within the complete enterprise picture.
Explain any three sample metrics for reviewing the process of
evaluating and assessing compliance.

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3. (a) The main objective of Disaster Recovery Planning is to minimize losses and ensure continuity of critical business functions of the organization in the event of disaster. Explain the areas that should be covered in Disaster Recovery Planning Document. **6**
- (b) Achieving the objectives of System Development is essential but many times, such objectives are not achieved as desired. Explain any five User Related and Developer Related issues due to which organizations fail to achieve their System Development objectives. **5**
- (c) Explain the provisions related to Protected Systems under Section 70 of IT Act, 2000. **3**
4. (a) If Cloud Computing is used properly and to the extent necessary, working with data in the cloud can vastly benefit all types of businesses. Explain the major advantages of Cloud Computing. **6**
- (b) Financial Controls are generally defined as the procedures exercised by the system user personnel over source, or transaction origination, documents before system input. Explain any five Financial Control techniques. **5**

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- (c) Explain any three advantages of System Development Life Cycle (SDLC) approach of System Development from the perspective of IS Audit. 3
5. (a) Audit of Environmental Control should form a critical part of every IS Audit Plan. The Audit of Environmental Controls requires the IS Auditor to conduct physical inspection and observe practices. What should the Auditor verify for audit of Environmental Controls ? 6
- (b) Office Automation (OAS) is the most rapidly expanding computer based information systems. Explain any five office activities that can be broadly grouped in Office Automation. 5
- (c) COBIT 5 has seven enablers. Explain any three of them. 3
6. (a) Audit Trail of Input Controls maintains the chronology of events from the time data and instructions are captured and entered into the application system until the time they are deemed valid and passed onto other subsystems within the application system. Explain the contents of Accounting Audit Trail for Input Controls. 6

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- (b) Corporate Governance is defined as the system by which a company or enterprise is directed and controlled. Explain any five best practices of Corporate Governance. **5**
- (c) Transaction Processing Systems (TPS) record and manipulate transaction data into useful information. Explain any three components of TPS. **3**

OR

Explain three characteristics of Risk.

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