## MOCK TEST PAPER – 2

## FINAL (OLD) COURSE: GROUP – II

## PAPER – 6: INFORMATION SYSTEMS CONTROL & AUDIT

**Time Allowed: 3 Hours**                                             **Maximum Marks: 100 Marks**

### Division A: MULTIPLE CHOICE QUESTIONS

**Total Marks: 30 Marks**

**Question Nos. 1 to 8 carries 2 marks each.**

1.  ABC Ltd. has decided to implement Balanced Scorecard, a strategy performance management tool. This initiative is covered under which part of Enterprise Governance

    (a)  Corporate Governance

    (b)  Business Governance

    (c)  Social Governance

    (d)  Legal Governance

2.  PQR Ltd. has implemented Customer Relationship Management System which is also integrated with ERP. So whenever, a new PO from customer is entered in ERP, the CRM flashes customer's history with the company and advices whether to accept the order or not. This CRM system will be classified under which category?

    (a)  Abstract System

    (b)  Physical System

    (c)  Deterministic System

    (d)  Probabilistic System

3.  PQR Ltd. got a small program developed to extract its Customer related billing and payment information in a pre-defined format. The programmer introduced a small patch in that whereby the same information will be directly emailed to him without intimation to PQR Ltd. PQR Ltd. is facing which type of virus attack?

    (a)  Logic Bomb

    (b)  Worm Attack

    (c)  Trojan Horse Attack

    (d)  Denial of Service (DoS) Attack

4.  ABC Ltd. has installed IBM Backup system whereby the data is backed up almost every second from the live environment to the backup drive. Which type of back-up ABC Ltd. has implemented?

    (a)  Full Backup

    (b)  Incremental Backup

    (c)  Differential Backup

    (d)  Mirror backup

5.  ABC Ltd. is proposing to introduce the Fitness awareness among its employees by giving FitBit gadget to all employees. The employees will be given targets for personal fitness. The Management wants to evaluate the Feasibility of this initiative. Which dimension is tested here?

(a) Technical Feasibility

(b) Economic Feasibility

(c) Operational Feasibility

(d) Behavioral Feasibility

6. ABC Ltd. has Intranet system wherein the authorized user must sign in with credentials and all the software available on the Intranet can be used without individual sign-in process. This Single-Sign-in system ensures which control?

(a) Output Control

(b) Communication Control

(c) Input Control

(d) Boundary Control

7. ABC Ltd. provides Server Hosting, Website hosting, database hosting services to its customers. It enters into SLAs with the customers to provide agreed level of services. Which Security Standard ABC Ltd. should adopt from service management point of view?

(a) ISO 27001

(b) COBIT

(c) IT Infrastructure Library (ITIL)

(d) PCI DSS

8. ABC Ltd. is Digital Signature issuing company based out of Delhi. It has outsourced its Core Infrastructure of Digital Signature Infrastructure repository to PQR Ltd. which provides IT Infrastructure Hosting services to its customers. PQR Ltd. has provided separate space and servers within its office premises for ABC's application, database and network hosting and no other company is sharing that infrastructure. Which type of cloud service is used by ABC Ltd.?

(a) On-Premise Private Cloud

(b) Outsourced Private Cloud

(c) Public Cloud

(d) Hybrid Cloud **(8 x 2 = 16 Marks)**

**Question Nos. 9 to 22 carries 1 mark each.**

9. The Governance Process under COBIT 5 involve EDM Practices. What does EDM stand for?

(a) Evaluate, Deployment and Monitor

(b) Evaluate, Direct and Monitor

(c) Evaluate, Direct and Machine

(d) Electronic, Direct and Monitor

10. Which of the following statement is true about MIS?

(a) The study of MIS is about use of computers.

(b) Any computer based information system is a MIS.

(c) More data in generated reports refers more information to managers.

(d) MIS is management oriented.

11. _____ 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.

2

(a) Piggybacking

(b) Denial of Service

(c) Data Leakage

(d) Wire Tapping

12. In case of development of Business Continuity Plan (BCP), which of the following is not an objective of performing BCP Tests?

(a) The recovery procedures are complete and workable.

(b) The competence of personnel in their performance of recovery procedures can be evaluated.

(c) To identify the critical business processes.

(d) The success or failure of the business continuity training program is monitored.

13. Which of the following is true about Spiral Model?

(a) It combines features of the prototyping model and waterfall model.

(b) It combines features of the prototyping model only.

(c) It combines features of the waterfall model only.

(d) It is intended for small and simple projects.

14. Which of the following is not true about continuous audit techniques?

(a) Timely, Comprehensive and Detailed Auditing

(b) Training for new users

(c) Surprise test capability

(d) No need of prior knowledge and experience of working with CAAT

15. Section 66A of IT Act, 2000 relates to _____.

(a) Computer Related Offences

(b) Punishment for sending offensive messages through communication service, etc.

(c) Punishment for identity theft

(d) Punishment for violation of privacy

16. Is the statement "Public cloud are highly scalable and affordable but less secure" true?

(a) No, less scalable that private cloud

(b) No, more secure than private cloud

(c) Yes, but require stringent SLAs

(d) No, there is a limit for the number of users

17. All talk about internal control except _____.

(a) Section 133 of Companies Act, 2013

(b) COSO

(c) SOX

(d) Clause 49 of Listing Agreement

18. Which of the following statement is not correct?

(a) Cost Accounting System is an example of Decision Support Systems.

3

(b) Explicit knowledge is articulated, and represented as spoken words, written material and compiled data

(c) Tacit knowledge is articulated, and represented as spoken words, written material and compiled data.

(d) Middle management requires tactical information that helps in implementing decisions taken by the top management.

19. Which of the following is not an example of Detective Controls?

(a) Hash Totals

(b) Duplicate checking of calculations

(c) Cash counts and bank reconciliation

(d) Backup procedure

20. The Business Continuity Life Cycle is broken into four broad and sequential sections.

(a) Risk Assessment, Determination of Recovery Alternatives, Recovery Plan Implementation, and Recovery Plan Validation

(b) Security, RAD, Data Modelling, Monitoring

(c) Risk Management, Risk Plan, Risk Mitigation and Risk Control

(d) Security, Normalization, Optimization and Monitoring

21. In SDLC, _____ is normally responsible for more than one project and liaisoning with the client or the affected functions.

(a) Project Leader

(b) Project Manager

(c) Business Analyst

(d) Database Administrator

22. Under Application Controls, _____ are responsible for computing, sorting, classifying and summarizing the data.

(a) Boundary Controls

(b) Communication Controls

(c) Output Controls

(d) Processing Controls                                                     **(14 x 1 = 14 Marks)**

## Division B

### DESCRIPTIVE QUESTIONS

**Total Marks: 70 Marks**

*Question No. 1 is compulsory.*

*Attempt any four questions out of remaining five questions.*

1. (a) The success of the process of ensuring business value from use of IT can be measured by evaluating the benefits realized from IT enabled investments and services portfolio and the how transparency of IT costs, benefits and risk is implemented. Determine the key metrics, which can be used for such evaluation.                                     **(6 Marks)**

   (b) Discuss the concept of Information Security Policy and its various types.          **(5 Marks)**

(c) Generally, in any enterprise, there are three management levels - Senior, Middle and Supervisory. Explain the role of each management level. **(3 Marks)**

2. (a) There are many aspects to the application controls that are reviewed as a part of any application audit. The objective of reviewing this exercise is to establish whether the application security controls are operating effectively to protect the Confidentiality, Integrity and Availability of information. Analyse the different attributes that are required to be known to an IS Auditor to perform Application Security Audit. **(6 Marks)**

   (b) During BCP Audit in an enterprise, how does an IS Auditor determine if a disaster recovery/business resumption plan existed and was developed using a sound methodology?

   **(5 Marks)**

   (c) Define Batch Controls and discuss its types. **(3 Marks)**

3. (a) A Student X raised a question to his teacher Mr. Y to explain him how Data Mining can be applied in database analysis and decision support. Advise an appropriate answer. **(6 Marks)**

   (b) Auditing physical access requires the auditor to review the physical access risk and controls to form an opinion on the effectiveness of the physical access controls. Determine the various activities involved in this. **(5 Marks)**

   (c) State the reasons for the establishment of Reserve Bank of India (RBI). **(3 Marks)**

4. (a) Any BYOD program allows access to corporate network, emails, client data etc. and thus BYOD policy brings many security concerns for enterprises. Estimate the risks associated with BYOD Program. **(6 Marks)**

   (b) Determine the components of Information Security Policy. **(5 Marks)**

   (c) Recognize the advantages of Business Continuity Management (BCM) in an enterprise.**(3 Marks)**

5. (a) FREEAIR is an airline company operating with in-house developed software till now. Its' profit margins are under pressure due to inefficiency and disorganized work culture. To survive in the highly competitive environment, it must improve the efficiency of its internal processes and synchronize isolated functions into streamlined business processes so that work culture is improved. Hence it has decided to purchase and implement a real-time ERP package. To improve its margin, it wants to transact with suppliers and customers electronically and maintain all records in electronic form. Security of information is a key activity of this process which must be taken care of from the beginning. As an IT Consultant, explain the provisions for the authentication of electronic records under Information Technology (Amendment) Act, 2008.

   **(6 Marks)**

   (b) To review the Operations Management Controls implemented in an enterprise, discuss the ways through which auditors can use interviews, observations, and review of documentation. **(5 Marks)**

   (c) Discuss the significance of "Program Documentation" under System Development phase of Systems Development Life Cycle (SDLC). **(3 Marks)**

6. (a) A variety of tasks during the SDLC are performed by special teams/committees/ individuals based on requisite expertise as well as skills. Advise the role of the following:

   (i)   Steering Committee

   (ii)  Project Manager

   (iii) Team Leader **(3 x 2 = 6 Marks)**

   (b) Discuss the seven enablers of COBIT 5. **(5 Marks)**

   (c) State the Section 65 of IT Act, 2000. **(3 Marks)**