

Roll No. ....

FINAL

MAY 2016

GROUP-II PAPER-6

Total No. of Questions – 7

INFORMATION SYSTEMS  
CONTROL AND AUDIT

Total No. of Printed Pages – 4

Time Allowed – 3 Hours

Maximum Marks – 100

## ETS

Answers to 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 valued.

Question No. 1 is compulsory.

Attempt any five questions from the remaining six questions.

In case, any candidate answers extra question(s)/sub-question(s) over and above the required number, then only the requisite number of questions first answered in the answer book shall be valued and subsequent extra questions answered shall be ignored.

**Marks**

1. Bharat Bank (BB) is a large bank with more than 3000 branches and 15000 ATMs in India. With an aim to grow further, it has acquired three smaller private banks with similar lines of business. This acquisition has brought a variety of products, applications and branches under its umbrella. Besides consumer banking through brick and mortar branches, BB also wants to consolidate its position through internet banking.

The growth strategy of the bank has resulted in fragmented business operations that operate in a regional structure as well as a disjoint IT environment. Hence BB wishes to implement a new, cutting edge web-based Core Banking System to manage all its operations from a single window. BB also recognizes that failure or malfunction of any critical system will cause significant operational disruptions and materially impact its ability to provide service to its customers. To overcome this risk, BB plans to implement Business Continuity Management (BCM). You have been appointed by BB to make a presentation to the Board of Directors to justify the need for the new system. Please answer the following queries raised by the Management :

ETS

P.T.O.

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|-----|---|---|
| (a) | What are the key management practices which are required for aligning IT Strategy of BB with its Enterprise Strategy ?                                | 5 |
| (b) | What are the IT tools you consider critical for business growth ?   | 5 |
| (c) | What are the suggested system controls that should be covered under IS audit as per the requirement of the Reserve Bank of India ?                    | 5 |
| (d) | Explain the five stages or components of the BCM process which will help BB to manage any future disruptions of the proposed new Core Banking System. | 5 |
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| 2. | (a) Operating System not only provides the platform for an application to use various IS resources but is also the last barrier to be conquered for unlimited access to all the resources. Explain the statement by describing any six operating system access controls to protect IS resources from unauthorised access. | 6 |
|    | (b) Cloud Computing service providers offer their services on the lines of several fundamental models. Describe the various types of Cloud Computing models.  | 6 |
|    | (c) Discuss the factors to be considered to validate a vendor's proposal at the time of software acquisition.   | 4 |
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| 3. | (a) Maintaining the system is an important aspect of system development. Elaborate the various categories of system maintenance. | 6 |
|----|--|---|

- (b) ABC Ltd. is looking for a suitable IS auditor. Please send an introductory note to ABC Ltd. explaining your suitability by describing the skill set and competence you possess for the job other than your qualification. 6
- (c) ABC Ltd. is not aware of the importance and requirement relating to 'Retention of Electronic Records' as per IT Act, 2008. Please enlighten them on this. 4
4. (a) Describe how the application controls and their audit trail are categorised. 6
- (b) Describe the prototyping model of system development explaining the generic phases of this model. 6
- (c) Describe the major components of Web 2.0 for social networks. 4
5. (a) As an IS auditor of a company, you want to use SCARF technique for collecting some information, which you want to utilize for discharging some of your functions. Briefly describe the type of information that can be collected through the use of SCARF technique. 6
- (b) Describe the various benefits of Mobile Computing. 6
- (c) Feasibility Study is an important aspect of System Development Life Cycle (SDLC). Explain the dimensions, which are evaluated for this study. 4

6. (a) The advent of computer has drastically transformed the mode of evidence collection by an auditor. Discuss the various issues involved in the performance of evidence collection and understanding the reliability of controls. 6
- (b) What are the steps to be taken by an IS auditor with respect to IT in the process of BCP/DRP audit ? 6
- (c) Explain any four advantages of electronic door locks over bolting and combinational locks as a part of Physical Access Controls. 4
7. Write short notes on any four of the following : 4×4  
=16
- (a) Issues to be addressed by Information Security Policy.
- (b) Any four major impacts of Technology on Internal Controls.
- (c) Benefits of GEIT.
- (d) Risk Management Strategies.
- (e) Components of ERP.
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