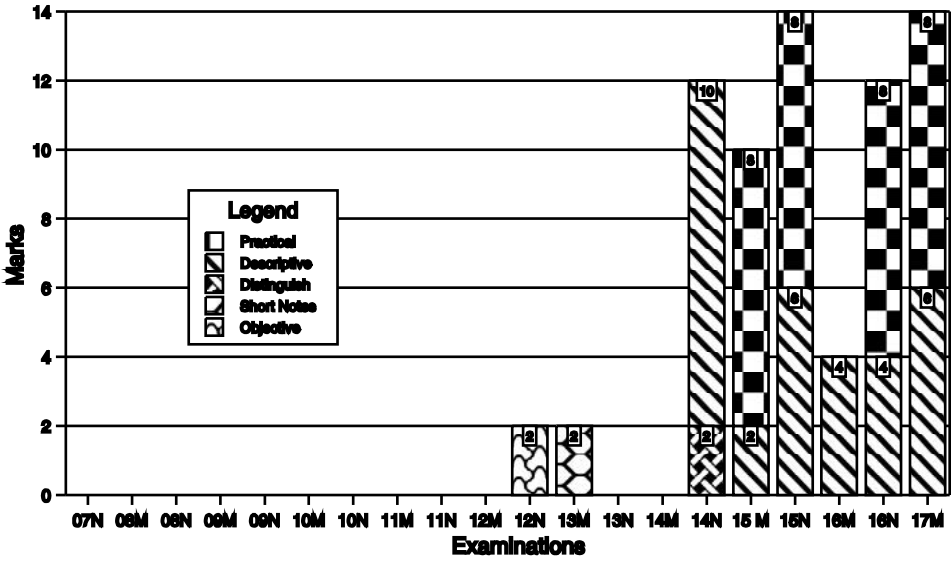


CHAPTER	
<b>1</b>	<b>Automated Business Processes</b>
<b>THIS CHAPTER COMPRISES OF</b>	
☞ Enterprise Business Processes ☞ Automated Business Processes ☞ Enterprise Risk Management ☞ Risks ☞ Controls ☞ Risks and Controls for specific Business Processes ☞ Regulatory and Compliance Requirements.	

Marks of Objective, Short Notes, Distinguish Between, Descriptive & Practical Questions



### ► OBJECTIVE QUESTIONS

**2012 - Nov [7]** Describe briefly terms:

(iii) System Flow Chart

(2 marks)

**Answer:**

**System Flowchart:**

- System flowchart depicts the electronic flow of data and processing steps in Information systems.
- It is used by System Analysts to describe the data flow and operations for a data processing cycle.
- It defines the broad processing in the organizations.
- It shows the origin of data, filing structure, processing to be performed, output that is to be generated and necessity of any offline operation.

### ► SHORT NOTES

**2007 - Nov [7]** Write short note on the following :

(a) Objectives of Information Technology Act, 2000.

(5 marks) [CA Final - II]

**Answer :**

<b>Objectives of Information Technology Act. (Amended Vide ITAA, 2008):</b>	
<b>To grant legal recognition to</b>	<ul style="list-style-type: none"> <li>• Transaction carried out through e-commerce.</li> <li>• Electronic Signature as a method of authentication of electronic documents/transactions.</li> <li>• Book keeping in electronic form banks by amending Bankers' Book Evidence Act, 1891.</li> </ul>
<b>To facilitate</b>	<ul style="list-style-type: none"> <li>• Electronic filing of documents with government departments.</li> <li>• Electronic storage of data.</li> </ul>
<b>To facilitate and give legal recognition to</b>	<ul style="list-style-type: none"> <li>• Electronic funds transfer between banks and financial institutions by amending RBI Act, 1934.</li> </ul>

<b>To enable</b>	<ul style="list-style-type: none"> <li>Electronic governance</li> </ul>
<b>To empower</b>	<ul style="list-style-type: none"> <li>State/Central Government to intercept/monitor any information transmitted through any computer resource for investigation of any offence.</li> </ul>
<b>To provide for</b>	<ul style="list-style-type: none"> <li>Protection of data security and privacy.</li> </ul>
<b>To deal with</b>	<ul style="list-style-type: none"> <li>Electronic offences by amending Indian Penal Code, 1860 and Indian Evidence Act, 1872.</li> </ul>

**2013 - May [7]** Write short note on the following:

(ii) Program Debugging

(2 marks)

**Answer:**

*Please refer 2010 - Nov [7] (c) on page no. 20*

**DISTINGUISH BETWEEN**

**2014 - Nov [1] {C}** Answer the following question in brief:

(a) Differentiate between flow-chart and data flow diagram.

(2 marks)

**Answer:**

S. No.	Basis of Difference	Flow Chart	Data Flow Diagram
1.	<b>Meaning</b>	Flow chart presents steps to complete a process.	Data Flow Diagram presents the flow of data.
2.	<b>Input/ Output</b>	Flow chart does not have any input from or output to an external source.	Data Flow Diagram describes the path of data from an external source to internal source or <i>vice versa</i> .
3.	<b>Nature</b>	Flow chart shows how to make a system function.	Data Flow Diagram defines the functionality of a system.

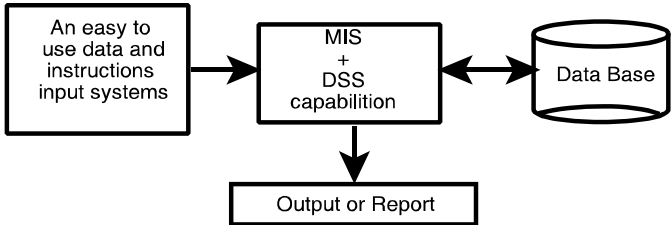
**7.4** ■ **Solved Scanner CA Inter Gr. II Paper - 7A (New)**

4.	<b>Used in</b>	Flow chart is used in designing a process.	Data Flow Diagram is used to describes the path.
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**► DESCRIPTIVE QUESTIONS**

**2007 - Nov [6]** (c) Briefly explain the principles to guide the design of measures and indicators to be included in EIS. (5 marks) [CA Final - I]

**Answer:**

<b>Meaning of EIS</b>	<ul style="list-style-type: none"> <li>• EIS is a tool that is designed to meet the special needs of top-level managers.</li> <li>• EIS provides direct on-line access to relevant information in a useful and navigable format. Relevant information is timely, accurate, and actionable about aspects of a business that are of particular interest to the senior manager.</li> <li>• The useful and navigable format of the system means that it is specifically designed to be used by individuals with limited time, limited keyboarding skills, and little direct experience with computers.</li> <li>• An EIS is easy to navigate so that managers can identify broad strategic issues, and then explore the information to find the root causes of those issues.</li> <li>• EIS is mainly an advancement of MIS but it can include the Decision Support System (DSS).</li> </ul>  <pre> graph TD     A[An easy to use data and instructions input systems] --&gt; B[MIS + DSS capability]     B &lt;--&gt; C[(Data Base)]     B --&gt; D[Output or Report]     </pre>
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<b>Principles that guide design of measures</b>	<ol style="list-style-type: none"><li>1. An Executive Information System (EIS) is a tool that provides direct on-line access to relevant information in a useful and navigable format.</li><li>2. EIS is a computer based information system that serves the information need of top executives.</li><li>3. EIS enables users to extract summary data and model complex problems without the need to learn query languages, statistical formulas or high computing skills.</li><li>4. EIS is very user friendly, supported by graphics and exception reporting and drill down capabilities.</li><li>5. EIS provides rapid access to timely information and direct access to management reports.</li><li>6. EIS is capable of accessing both internal data and external data.</li><li>7. EIS is easily connected to Internet (with online information services and e-mail)</li><li>8. EIS provides extensive online analysis tool like trend analysis, market conditions etc.</li><li>9. EIS can easily be given a DSS support for decision making.</li><li>10. EIS is easy to navigate so that managers can identify broad strategic issues, and then explore the information to find the root causes of those issues.</li></ol>
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**2010 - Nov [5]** What do you mean by term flow chart? Draw a program flow chart to find the sum of first 50 odd numbers. (2 + 6 = 8 marks)

**Answer :**

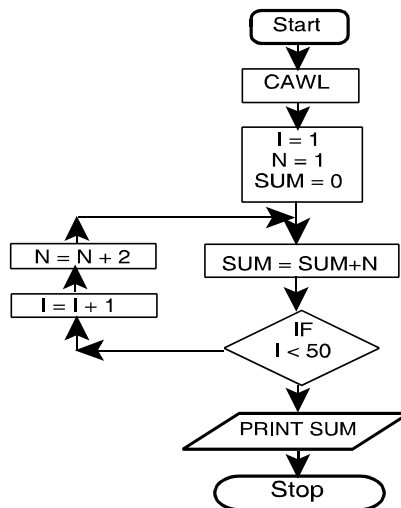
- *Flowchart* is a diagram that shows sequence of steps required to solve a particular problem.
- It is a logical flow of steps which shows sequence of operations of a program by using symbols and inter-connectivity lines. It is like a blueprint that shows the general plan and essential details of the proposed structure.

7.6

■ **Solved Scanner CA Inter Gr. II Paper - 7A (New**

- It allows the programmer to compare different approaches and alternatives on paper and often shows inter-relationships that are not immediately apparent.

**The required flowchart to find the sum of first 50 odd numbers is drawn below :**



Where CAWL means Clear All Working Locations

**2010 - Nov [7]** Answer the question:

(c) What is Program debugging ? Explain it briefly.

(2 marks)

**Answer :**

**Program Debugging :** It is a process of finding errors in program and rectifying them by using diagnostic routine before putting the program into use. There is a real necessity to debug a program, i.e. to cleanse it from errors. For this purpose, the programmers device a set of test data transactions to test the various alternative branches in the program. The results got from the computer are compared with one derived manually prior to computer processing. When the results do not match for any reason, the programmer then verifies the flowchart and coding sheet to hunt for the bugs. This process is called program debugging.

2014 - Nov [1] {C} Answer the following question in brief:

(e) What are the objectives of business process automation? (2 marks)

Answer:

<b>The success of any business process automation shall only be achieved when BPA ensures</b>	
<b>Confidentiality</b>	To ensure that data is only available to persons who have right to see the same;
<b>Integrity</b>	To ensure that only authorized amendments can be made in the data;
<b>Availability</b>	To ensure that data is available when asked for; and
<b>Timelines</b>	To ensure that data is made available at the right time. To ensure that all the above parameters are met, BPA needs to have appropriate internal controls put in place.

2014 - Nov [2] (a) What are the various key factors to be considered in implementing Business Process Management (BPM) in an enterprise?

(4 marks)

Answer:

Various key factors to be considered in implementing Business Process Management (BPM) in an enterprise are as follows:

<b>Factors</b>	<b>Key Considerations</b>
<b>Scope</b>	A single process, a department, the entire company.
<b>Goals</b>	Process understanding, Process Improvement, Process Automation/ Optimization and Process re-engineering.
<b>Methods to be used</b>	Six Sigma, BPM Life Cycle Method, TQM, Informal methods.

**7.8****■ Solved Scanner CA Inter Gr. II Paper - 7A (New**

<b>Skills Required</b>	Consultants, Train Employees, Formal Certification, Basic Education, Existing Skill sets.
<b>Tools to be used</b>	White-Boards, Sticky Notes, Software for Mapping, Documenting, Software for Simulation, Comprehensive BPMS.
<b>Investments to Make</b>	Training, Tools, Time.
<b>Sponsorship/Buy-in Needed</b>	Executive Level, Department Level, Process Owner Level, Employee Level.

**2014 - Nov [2]** (b) What are the major reasons for failure of Business Process Management System (BPMS)? (4 marks)

**Answer:**

**Reason for Failure of BPMS:**

1. The consumer is often confronted with poor customer service due to broken processes, inefficient processes and manual processes- that is the customer is often confronted (challenged) with the silos of the organisation.
2. The same consumer is becoming more and more demanding with respect to delivery time and also demanding higher quality of the products or services.
3. The product or service is becoming more and more personalized supported by increased customer services.
4. Inadequate investment in ongoing training for involved personnel and deficient executive involvement.
5. Breakdown in gap analysis due to deficient project management.
6. Inefficient corporate policy protecting the integrity of data in BPMS.

**2015 - May [1] {C}** Answer the following question in brief:

- (a) What are the key benefits of Business Process Automation (BPA)? (2 marks)



Answer:

The key benefits of Business Process Automation are as follows:	
1. <b>Cost Saving</b>	Automation leads to saving in time and labor costs through higher efficiency and better management of the people involved.
2. <b>Strategic Edge</b>	Today, in order to survive, businesses need to adopt automation. Automation helps business to reach strategic edge.
3. <b>Quick Service</b>	Automation shortens cycle times in the execution of processes through improved and refined business work flows and helps enterprises to serve their customers faster and better.
4. <b>Reduces Error</b>	BPA removes human participation in the process, which is the source of many errors.
5. <b>Transforming data into information</b>	BPA can, apart from collecting and storing data also analyze data and make it available in a form that is useful for decision-making.
6. <b>Improving the effectiveness of performance and process</b>	In many cases, tasks that must be done manually are the bottlenecks in the process. Automating those manual tasks speeds up the effective throughput of the application.
7. <b>Making users more efficient and effective</b>	People can focus their energies on the tasks they do best, allowing the computers to handle those that machines are best suited for.

2015 - Nov [1] {C} Answer the following question in brief.

- (a) Mention the challenges in implementing 'Business Process Automation'.  
(2 marks)

**7.10****■ Solved Scanner CA Inter Gr. II Paper - 7A (New)****Answer:**

<b>Challenges in implementing Business Process Automation</b>		
<b>1.</b>	<b>Planning</b>	It requires determining the goals, of the information system function and the means of achieving these goals.
<b>2.</b>	<b>Organizing</b>	It involves gathering, allocating and coordinating the resources needed to accomplish the goals.
<b>3.</b>	<b>Leading</b>	It involves motivating, guiding and communicating with personnel.
<b>4.</b>	<b>Controlling</b>	Comparing actual performance with planned performance as a basis for taking any corrective actions that are needed.
<b>5.</b>	<b>Increase in Number of interface with Customers</b>	Since the number of interface with customers is growing for e.g. phone, e-mail, SMS, Whatsapp etc. it becomes difficult to handle.
<b>6.</b>	<b>High Cost</b>	It plays heavily on the budget of the company.

**2015 - Nov [6]** (b) What is meant by 'controls' in BPA? What are their major objectives? (4 marks)

**Answer:**

<b>Business Process Automation Controls</b>	
<b>Meaning of Business Process Automation</b>	<ul style="list-style-type: none"> <li>BPA is the basic component of an enterprise-wide automation and management scheme for both business and IT workflow. It refers to removing the human element from existing business processes by automating the repetitive or standardized process components. It ranges from automating a simple data-entry-manipulation task to building complex, automated financial management processes using existing applications.</li> </ul>

<b>Meaning of Control</b>	<ul style="list-style-type: none"> <li>Control is defined as policies, procedures, practices and organization structure that are designed to provide reasonable assurance that business objectives are achieved and undesired events are prevented or detected are corrected.</li> </ul>
---------------------------	--

<b>Major Objectives of Controls in BPA:</b>		
1.	<b>Authorization</b>	It ensures that all transactions are approved by responsible personnel in accordance with their specific or general authority before the transaction is recorded.
2.	<b>Completeness</b>	It ensures that no valid transactions have been omitted from the accounting records.
3.	<b>Validity</b>	It ensures that all valid transactions fairly represent the economic events that actually occurred, are lawful in nature and have been executed in accordance with management's general authorization.
4.	<b>Accuracy</b>	It ensures that all valid transactions are accurate, consistent with the originating transaction data, and information is recorded in a timely manner.
5.	<b>Physical Safeguards and Security</b>	Ensures that access to physical assets and information systems are controlled and properly restricted to authorized personnel.
6.	<b>Error Handling</b>	It ensures that errors detected at any stage of processing receive prompt corrective action and are reported to the appropriate level of management.
7.	<b>Segregation of Duties</b>	It ensures that duties are assigned to individuals in a manner that ensures that no one individual can control both the recording function and procedures relative to processing a transaction.

7.12

■ **Solved Scanner CA Inter Gr. II Paper - 7A (New**

**2016 - May [2]** (b) Discuss the types of Data Flow Diagrams (DFDs). Also briefly mention the major components of DFD. (4 marks)

**Answer:**

<b>Types of Data Flow Diagrams (DFDs)</b>	
There are two types of Data Flow Diagrams:	
1. Logical Data Flow Diagram.	
2. Physical Data Flow Diagram.	
<b>1.</b>	<b>Logical Data Flow Diagram</b> A logical DFD focuses on the business and how the business operates. It describes the business events that take place and the data required and produced by each event. The logical model reflects the business.
<b>2.</b>	<b>Physical Data Flow Diagram</b> A physical DFD shows how the system will be implemented. The physical model depicts the system.

**Major Component of DFD:** *Please refer KZ - 1 on page no. 54*

**2016 - Nov [6]** (a) What is a Data Flow Diagram. Explain the four major components of a Data Flow Diagram. (4 marks)

**Answer:**

*Please refer KZ - 1 on page no. 54*

**2017 - May [1] {C}** Answer the following in brief:

(a) Write any two principles of Business Process Management.

(2 marks)

**Answer:**

**Principles of Business Process Management:**

- 1. Principle of Context Awareness:** BPM should fit to the organisational context. It should be tailor made and should not follow cook book approach.
- 2. Principle of Continuity:** BPM should be a continuous and permanent practice. It should not be a one-off project.

**2017 - May [6]** (b) What are the generic reasons for going for Business

Process Automation?

(4 marks)

**Answer:**

<b>Business Process Automation</b>	
<b>Meaning</b>	<p>BPA is the basic component of an enterprise-wide automation and management scheme for both business and IT workflow.</p> <p>It refers to removing the human element from existing business processes by automating the repetitive or standardized process components. It ranges from automating a simple data-entry-manipulation task to building complex, automated financial management processes using existing applications.</p>
<b>Steps in BPA</b>	<ul style="list-style-type: none"> <li>● Step 1: Define the need to implement BPA.</li> <li>● Step 2: Understanding the rules/ regulation under which it needs to comply with.</li> <li>● Step 3: Documenting the process, which needs automation.</li> <li>● Step 4: Defining the objectives/ goals to be achieved by implementing BPA.</li> <li>● Step 5: Engaging the business process consultant.</li> <li>● Step 6: Calculating the ROI for project.</li> <li>● Step 7: Developing BPA.</li> <li>● Step 8: Testing the BPA.</li> <li>● Step 9: Re-forming BPA as per the test result.</li> </ul>

<b>Need of BPA</b>		
<b>1.</b>	<b>Fast service to customers</b>	This was not the initial reason for adaption of BPA but gradually business managers realized that automation could help them to serve their customers faster and better.

**7.14****■ Solved Scanner CA Inter Gr. II Paper - 7A (New)**

<b>2.</b>	<b>To remain competitive and enhancing goodwill</b>	To provide the level of products and services as offered by competition and thus enhancing goodwill.
<b>3.</b>	<b>Cost Saving</b>	Automation leads to saving in time and labour costs.
<b>4.</b>	<b>Error free</b>	To provide error free services to the customer.
<b>5.</b>	<b>Focus on key areas</b>	Freeing people from routine and volume, and allow management to do what they are best at make decisions, analyze data implications and trends and focus on providing better customer service.

**► PRACTICAL QUESTIONS**

**2007 - Nov [4]** An electric supply company charges the following rates from its consumers :

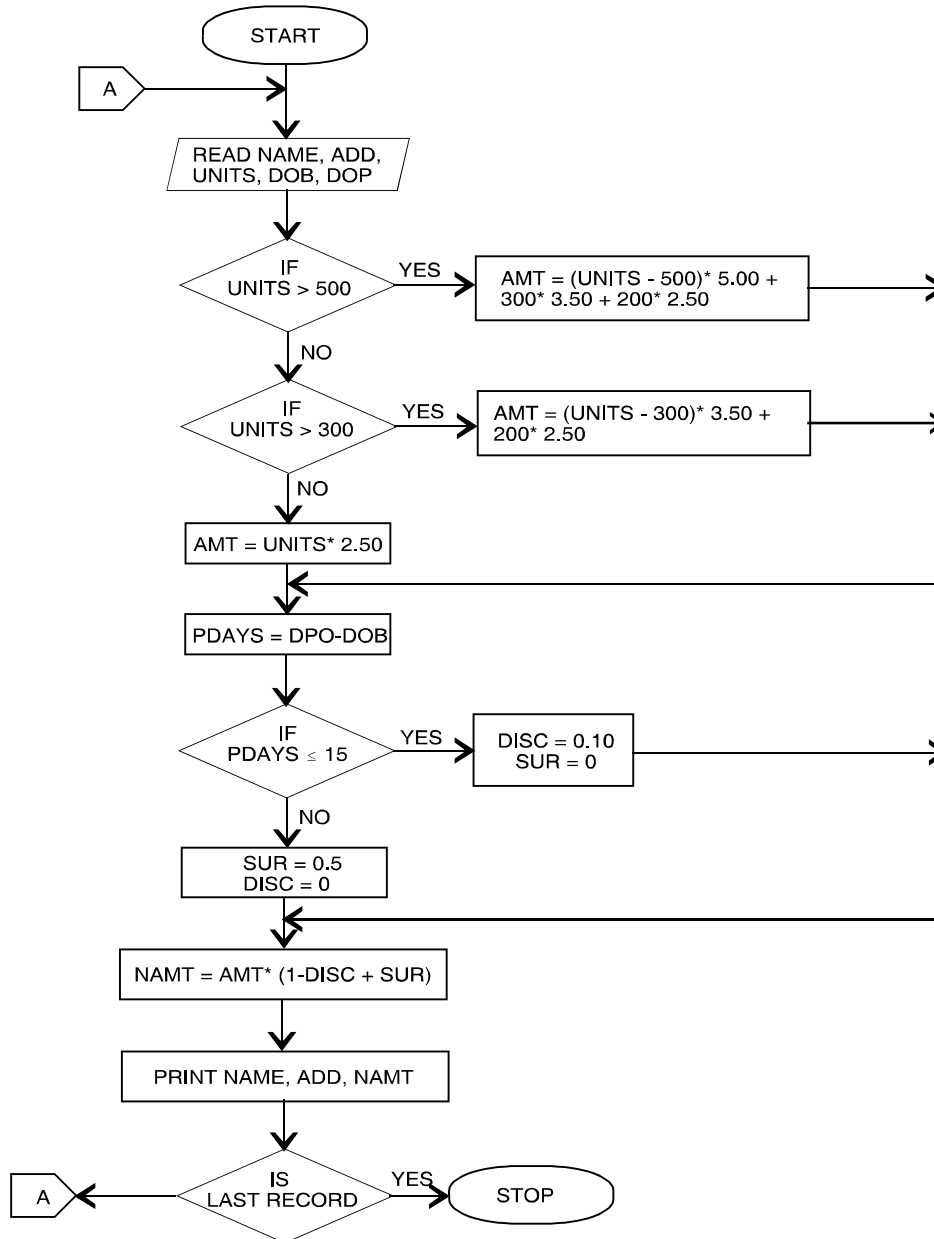
No. of unit consumed	Charges/unit (₹)
For the first 200 units	2.50
For the next 300 units	3.50
Over 500 units	5.00

Computer database of the company has the following information :

- Consumer Name
- Address
- Unit consumed
- Bill date
- Payment date

If the consumer pay his bill within 15 days from the bill date, 10% discount is given. If he makes the payment after 15 days from the bill date, 5% surcharge is levied. Draw a Flow chart to calculate the net amount of the bill for each consumer and print it. (10 marks)

Answer :



**7.16****■ Solved Scanner CA Inter Gr. II Paper - 7A (New)**

**2008 - May [4]** A bicycle shop in a city hires bicycles by the day at different rates for different models as given below :

Model No.	Hire rate per day (₹)
Model No. 1	14.00
Model No. 2	12.00
Model No. 3	10.00

In order to attract customers, the shopkeeper gives a discount on the number of days a bicycle is hired for. The policy of discount is as given below :

No. of days	Discount rate (%)
1-5	0.00
6-10	8
11 and over	15

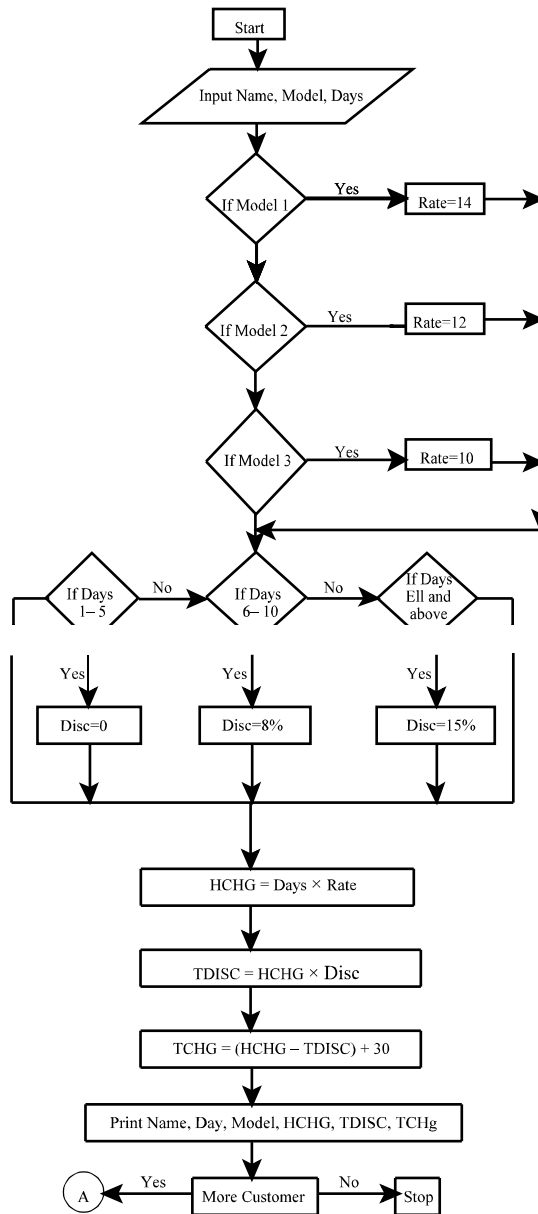
For every bicycle hired, a deposit of ₹ 30.00 must be paid.

Develop a flow chart to print out the details for each customer such as name of the customer, bicycle model number, number of days a bicycle is hired for, hire charges, discount and total charges including deposits. (10 marks)

**Answer :**

**Please see answer on next page**





2008 - Nov [4] A Book publisher offers discount to customers on the basis

**7.18** ■ **Solved Scanner CA Inter Gr. II Paper - 7A (New**

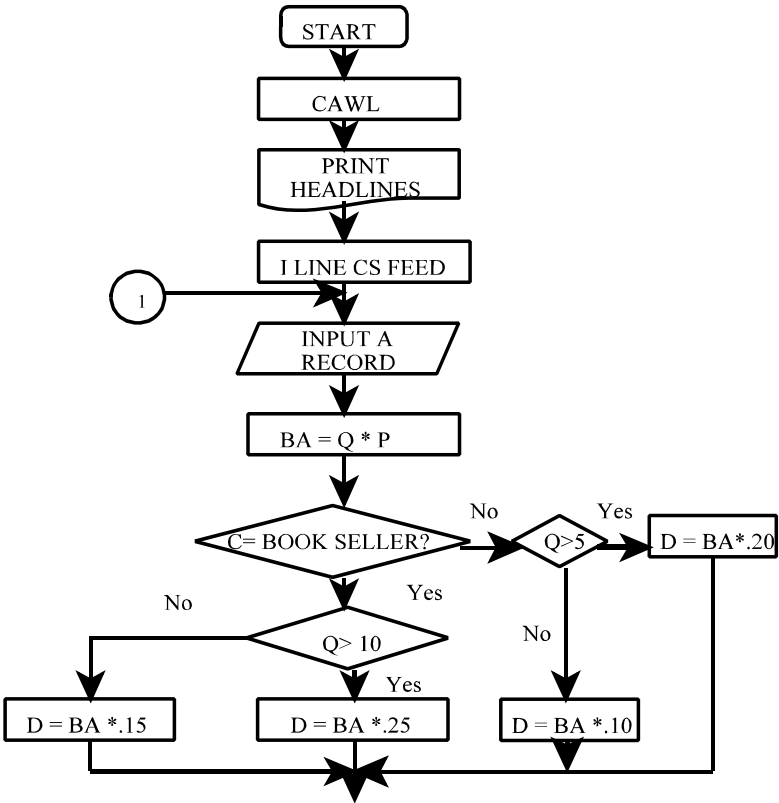
of customer type and number of copies ordered as shown below :

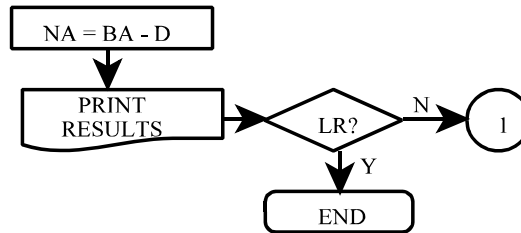
Customer type	Number of Copies Ordered	% of Discount
Book Seller	More than 10	25
	Less than or equal to 10	15
	More than 5	20
Library	Less than or equal to 5	10

Customer number, name , type, book number, number of copies ordered and unit price are given as input. Draw a flow chart to calculate the net amount of the bill for each customer and print it.

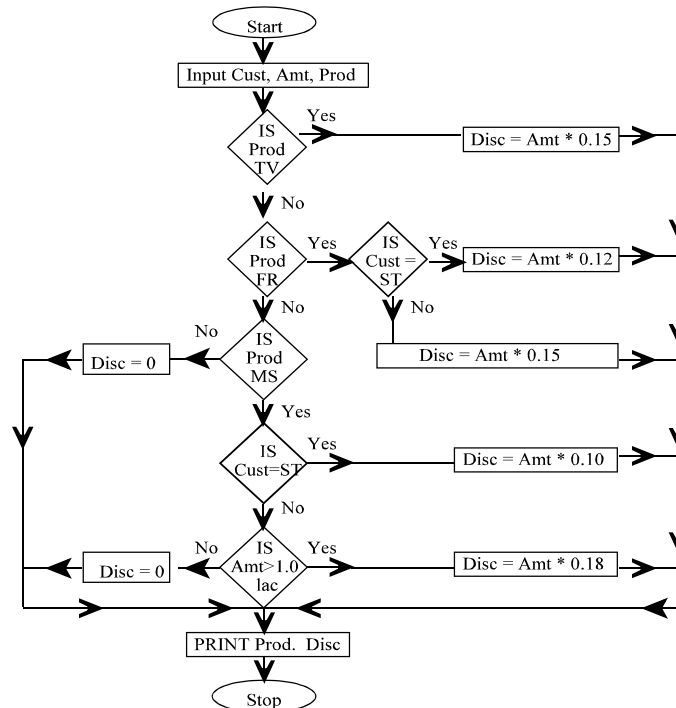
The above is to be carried out for 50 customers. (10 marks)

**Answer :**





2009 - May [4] Frame the problem for which the given Flowchart has been drawn. See the Abbreviations defined below :



**Cust.** : Customer, **Prod** : Product, **Amt** : Amount, **Disc** : Discount, **TV** : Television, **FR** : Fridge, **MS** : Music System, **ST** : Student (10 marks)

**Answer:**

The problem relates to 'Discount Policy' of a company engaged in selling electronic items.

**7.20** ■ **Solved Scanner CA Inter Gr. II Paper - 7A (New)**

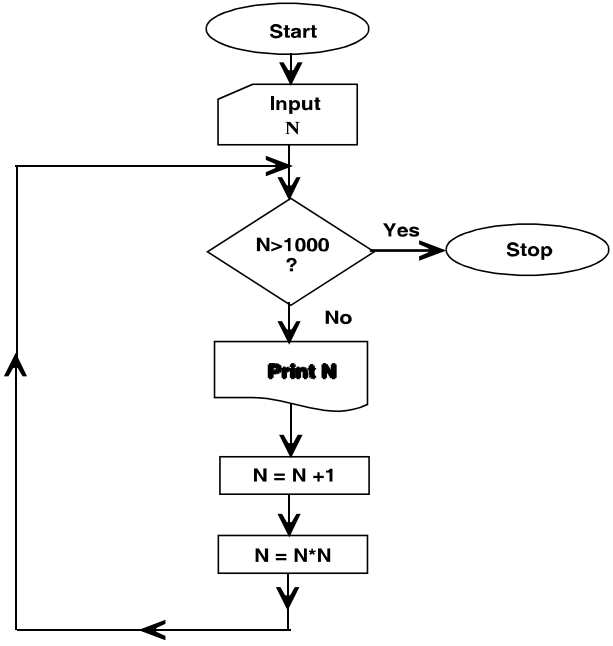
Item	Category of customer	Discount
TV	All	15%
Fridge	Student	12%*
	Others	15%*
Music System	Student	10%*
	Others	18%**

\* irrespective of order value  
 \*\* subject to order value being more than ₹ 1 lakh.

**2009 - Nov [4]** (a) Write the output sequence (at least first five numbers) for the given flowchart, if  $N = 0$  is selected as the value for  $N$  as input. (5 marks)

**Answer :**  
 If  $N = 0$  then the output sequence will be :  
 0 1 4 25 676

**2009 - Nov [4]** (b) If the statement " $N = N * N$ " in the computation box of the flowchart is modified as " $N = N * (N - 1)$ ". Write the output sequence (at least first five numbers) for the flowchart with  $N = 0$  as the input value for  $N$ . (5 marks)



**Answer:**

If “N = N\* N” is modified as “N = N\* (-1)” with N = 0 as output, then the output sequence will be:

0 0 0 0 0

**2010 - May [4]** The Income-tax for the employees of an organization is calculated on the basis of their Gross Income and the Investments made by them, under Section 80CCC. The taxable income is calculated according to the following rules :

Taxable Income = Gross Income - Investments provided investments are less than 1 lac. Otherwise

Taxable Income = Gross Income - 1,00,000

Following rules are applied to calculate the Income-tax, on the Taxable Income :

Taxable Income	Income-tax
(i) 0 – 1,60,000	Nil
(ii) 1,60,001 – 3,00,000	10%, on the excess of 1,60,000
(iii) 3,00,001 – 5,00,000	14,000 + 20% on the excess of 3,00,000
(iv) 5,00,001 – and above	54,000 + 30% on the excess of 5,00,000

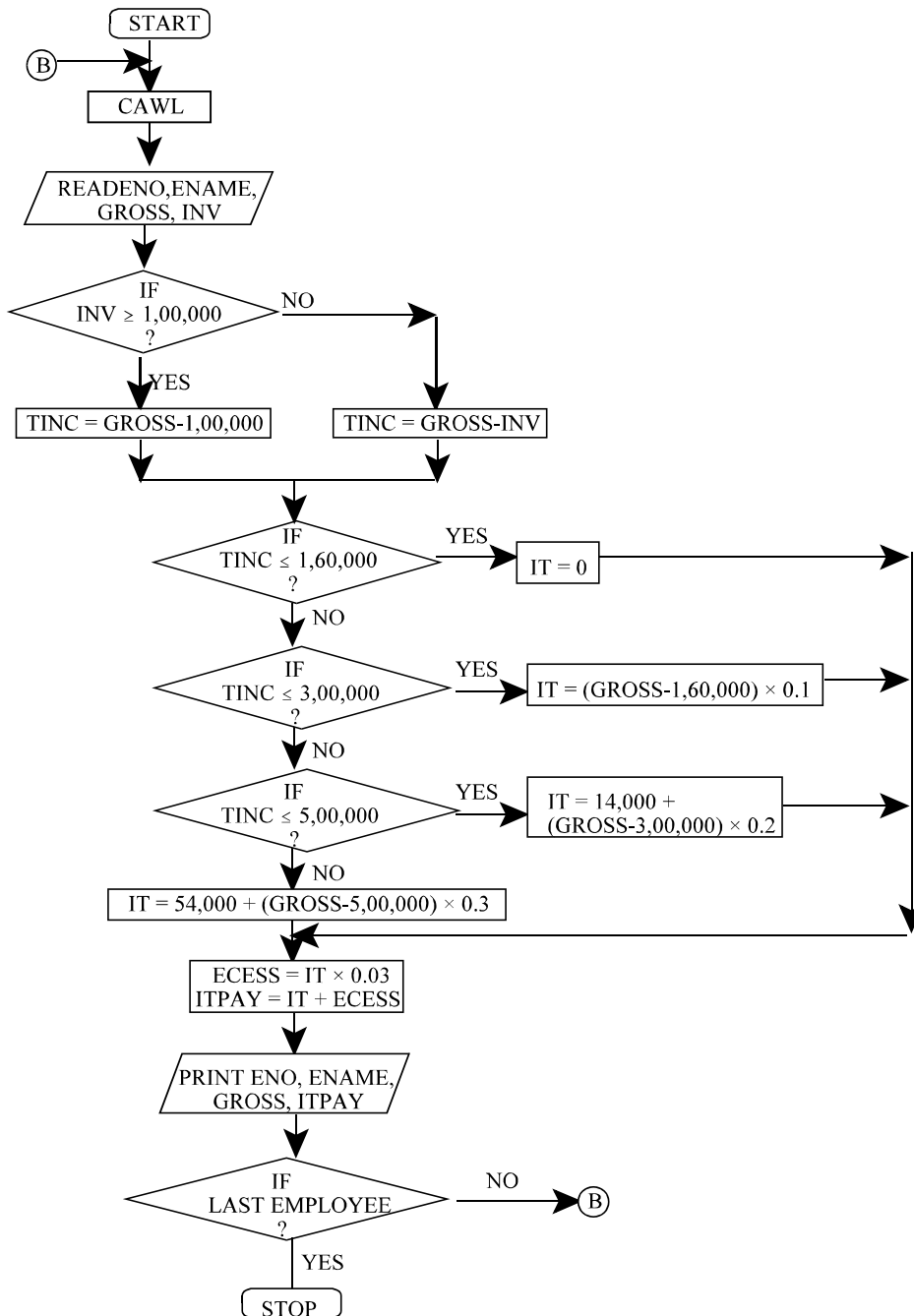
Also an educational cess of 3% of Income-tax is levied on all the employees, irrespective of the income.

Employee number, Name, Gross Income, Investment amount is given as input. Draw a flow chart to calculate the Income-tax payable by each employee. (10 marks)

**Answer :**

**Please see answer on next page**

7.22

**Solved Scanner CA Inter Gr. II Paper - 7A (New)**


**Terms used :**

ENO = Employee Number

ENAME = Employee Name

GROSS = Gross Income

INV = Investment made

TINC = Taxable Income

IT = Income Tax

ECESS = Education Cess

ITPAY = Total Income Tax payable

CAWL = Clear All Working Locations

**2011 - May [5]** (a) For computing custom duty, the imported items are classified into 4 categories. The rate of duty to be levied on each category of items is given below :

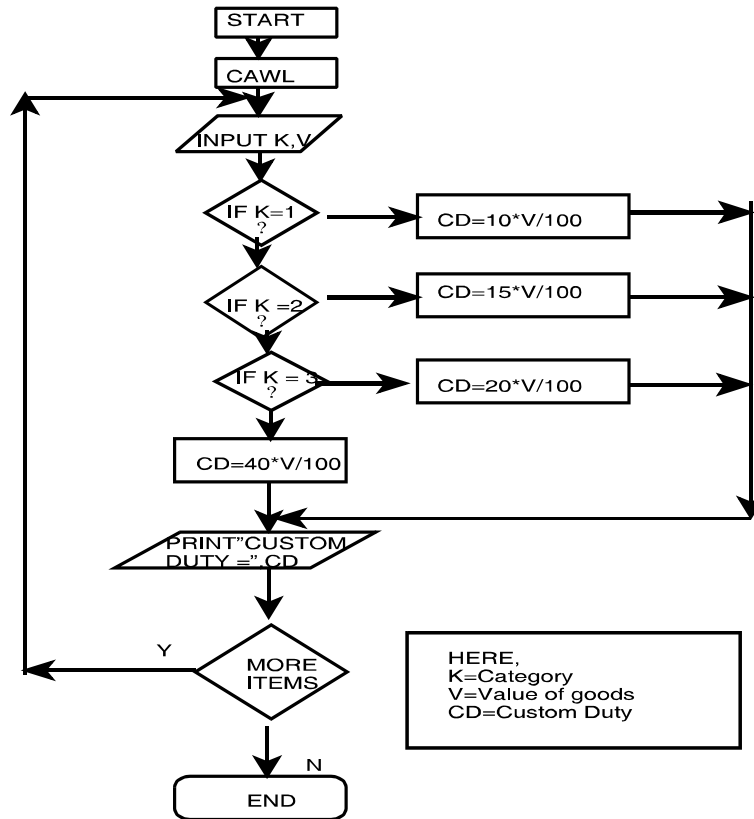
<b>Category (K)</b>	<b>Class of goods</b>	<b>% custom duty on the value of goods (V)</b>
1	Food and beverages	10
2	Textile and leather goods	15
3	Heavy machinery	20
4	Luxury items	40

Draw a flowchart to compute the custom duty.

(4 marks)

**Answer :****Please see answer on next page**

7.24

**Solved Scanner CA Inter Gr. II Paper - 7A (New)**


**2011 - Nov [6]** A housing society having 400 members pay electricity bills at the following rates :

No. of units consumed	Charges/unit (₹)
For the first 200 units	2.65
For the next 300 units	3.90
Over 500 units	4.75

Surcharge @ 5% of the bill is to be added to the charges.

Draw a flow chart which will read the house number and the number of units consumed. Print the total charges with the house number and the units consumed. (8 marks)



Answer:

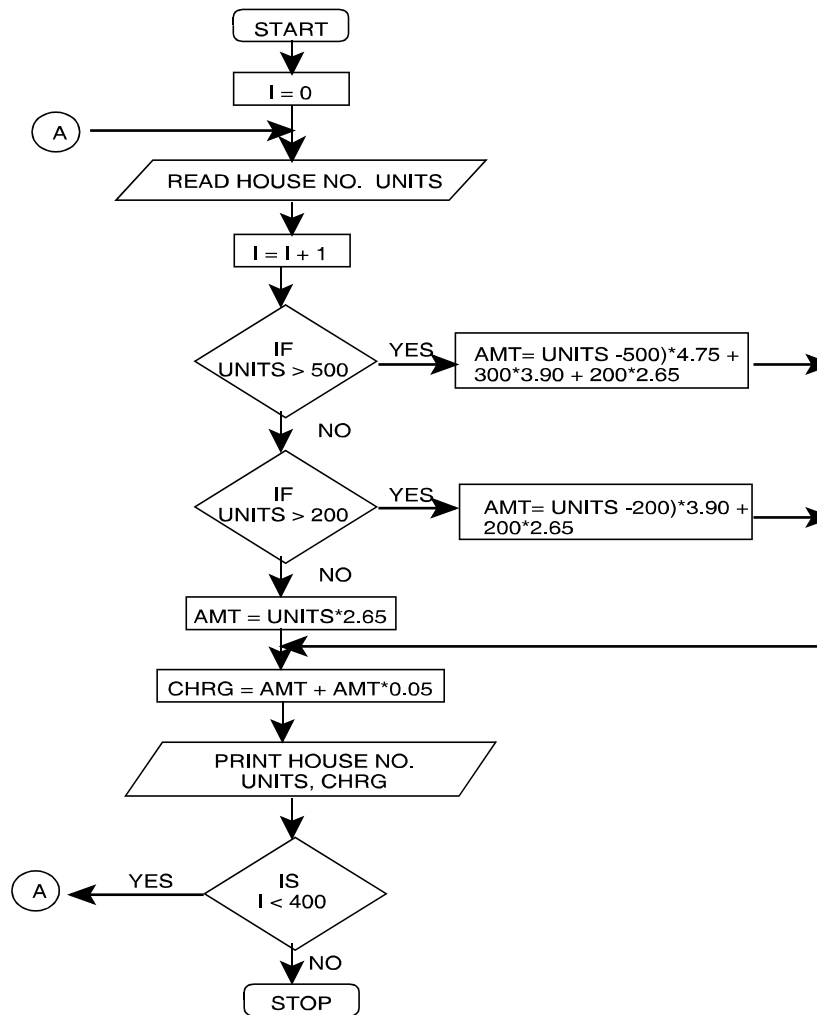
Abbreviations used :

House No. - House Number

Units - No. of units consumed

Amt - Amount

Chrg - Charges



**7.26** ■ **Solved Scanner CA Inter Gr. II Paper - 7A (New**

**2012 - May [6]** For the flow chart given below:

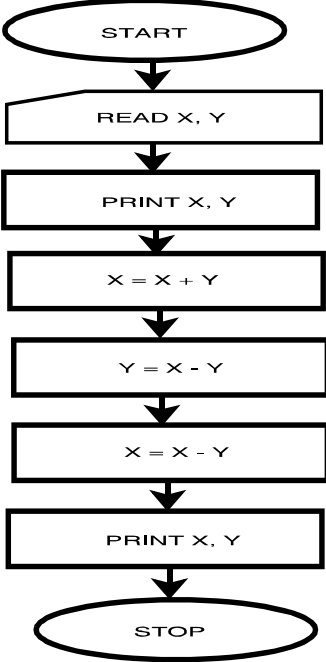
(a) Print the output displayed for using the given two sets of data:

	X	Y	
1 <sup>st</sup> Set :	15	20	
2 <sup>nd</sup> Set :	35	30	

(4 marks)

(b) What interpretation do you make from the instructions given in the flow chart? (3 marks)

(c) Comment about the storage of the variables used in the instructions of the flow chart. (1 mark)



**Answer:**

**(a) For first set, X=15, Y=20**

Instruction	Output
Read X, Y	15, 20
Print X, Y	15, 20

.....1<sup>st</sup> Print

X = X + Y	X = 15 + 20 = 35	
Y = X - Y	Y = 35 - 20 = 15	
X = X - Y	X = 35 - 15 = 20	
Print X, Y	20, 15	.....2 <sup>nd</sup> Print
	1 <sup>st</sup> Print 15 20	
	2 <sup>nd</sup> Print 20 15	
For second set,	X = 35, Y = 30	
Instruction	Output	
Read X, Y	35, 30	
Print X, Y	35, 30	.....1 <sup>st</sup> Print
X = X + Y	X = 35 + 30 = 65	
Y = X - Y	Y = 65 - 30 = 35	
X = X - Y	X = 65 - 35 = 30	
Print X, Y	30, 35	.....2 <sup>nd</sup> Print
	1 <sup>st</sup> Print 35 30	
	2 <sup>nd</sup> Print 30 35	

(b) The given set of instructions in the flow chart is the steps for swapping/interchanging the values of two variable without involving the third variable. As clearly interpreted from the output, the values of X and Y in the both the value sets have got interchanged.

**Note:** The interpretation involves two important factors:

- (i) Interchange of values of two variables X and Y.
- (ii) Without involving the third or temporary storage/variable.

(c) The comments about the storage of the variables used in the instructions of the flow chart are as follows

X = X + Y // The value of X has been assigned the value of (X+Y)...(i)

Y = X - Y // The value of Y has been assigned the value of (X-Y)..(ii)

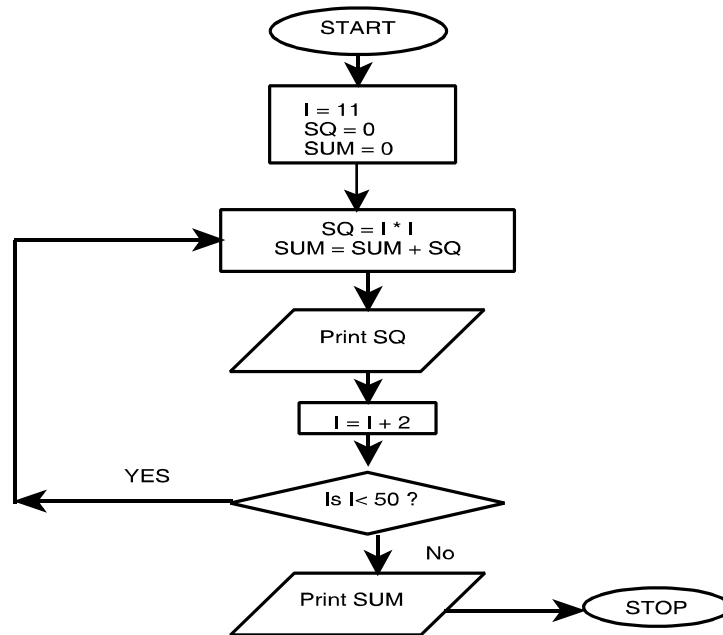
X = X - Y // The value of X has again been assigned the value of (X-Y), where the value of X and Y are calculated from the statement (i) and (ii)

**2012 - Nov [6]** Draw a flow chart to print the square of odd numbers between 10 to 50 and also print the sum of their square. (8 marks)

7.28

**Solved Scanner CA Inter Gr. II Paper - 7A (New)**
**Answer:**

The required flowchart is as follows:


**I:** Stores the value of odd number between 10 to 50 at each step.

**SQ :** Stores the calculated value of square of each odd number at each step.

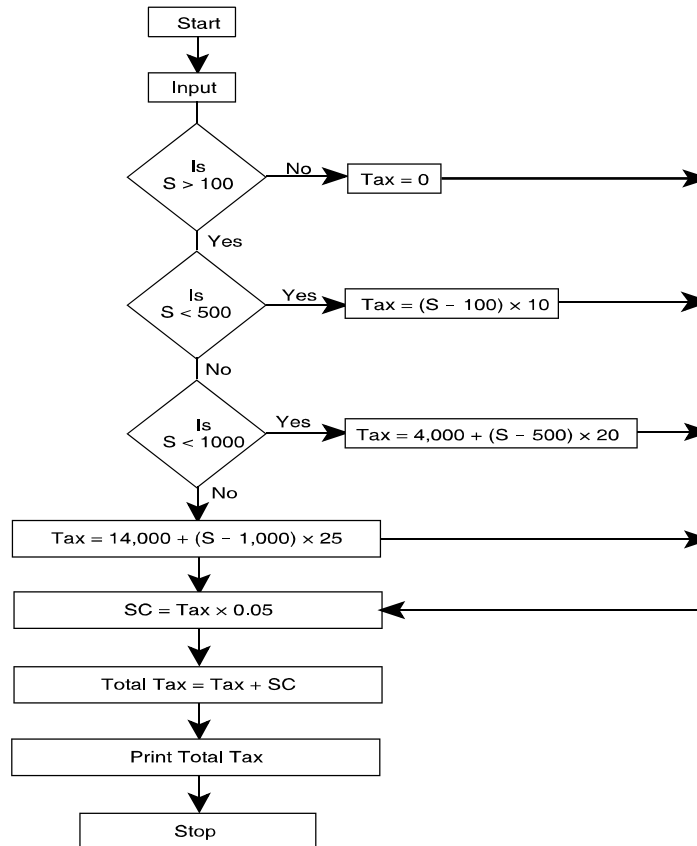
**SUM :** Stores the sum of the squares of all the odd numbers till that step.

**2013 - May [6]** (b) Top town Municipality, is levying annual House Tax, as per following rules:

Size of House in Sq. Metre	House tax rate per Square Metre
Less than 100	Nil
Upto Next 400	₹ 10
Upto Next 500	₹ 20
More than 1000	₹ 25

There is a surcharge of 5% of the value of House Tax. Taking into account the above factors, draw a flow chart to compute appropriate total House Tax including surcharge for any one house. (6 marks)

Answer:



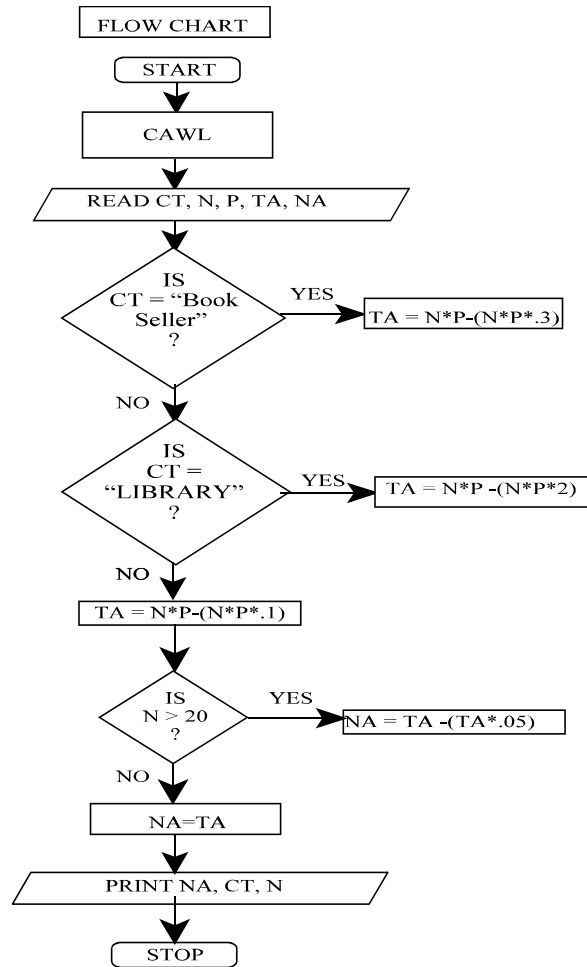
2013 - Nov [6] A book publisher of Information Technology offers discount to its customers on the basis of customer type as detailed below:

Customer Type	Discount
Book Seller	30%
Library	20%
Student	10%

Further if number of copies purchased is more than 20, then additional discount of 5% is allowed irrespective of customer type. Number of books, unit price of each book and customer type are given as input.

Draw a flow chart to calculate the net amount after all discount and print customer type, number of copies and net amount. (8 marks)

7.30

**Solved Scanner CA Inter Gr. II Paper - 7A (New)**
**Answer:**


**2014 - May [6]** A Housing Society in a newly developed Smart City has provided several advanced security systems to each house in that city. Based on the value of these advanced security systems installed in each house, the Society has divided all the houses in four categories and fixed the criteria for annual maintenance charges as under:

House Category	Maintenance charges as % of value of advanced security systems installed at house
A	8%
B	6%
C	4%
D	3%

In addition to above there is a service tax @ 14.50% on the amount of maintenance charges. Considering house number and value of advanced security system installed, as input, draw a flow chart to have printed output as house number, maintenance charges, service tax and the total amount to be paid by each house owner. (8 marks)

**Answer:**

Let us define the variables first:

HNO: House Number

HC: House Category

VAL ASS: Value of Advanced Security Systems

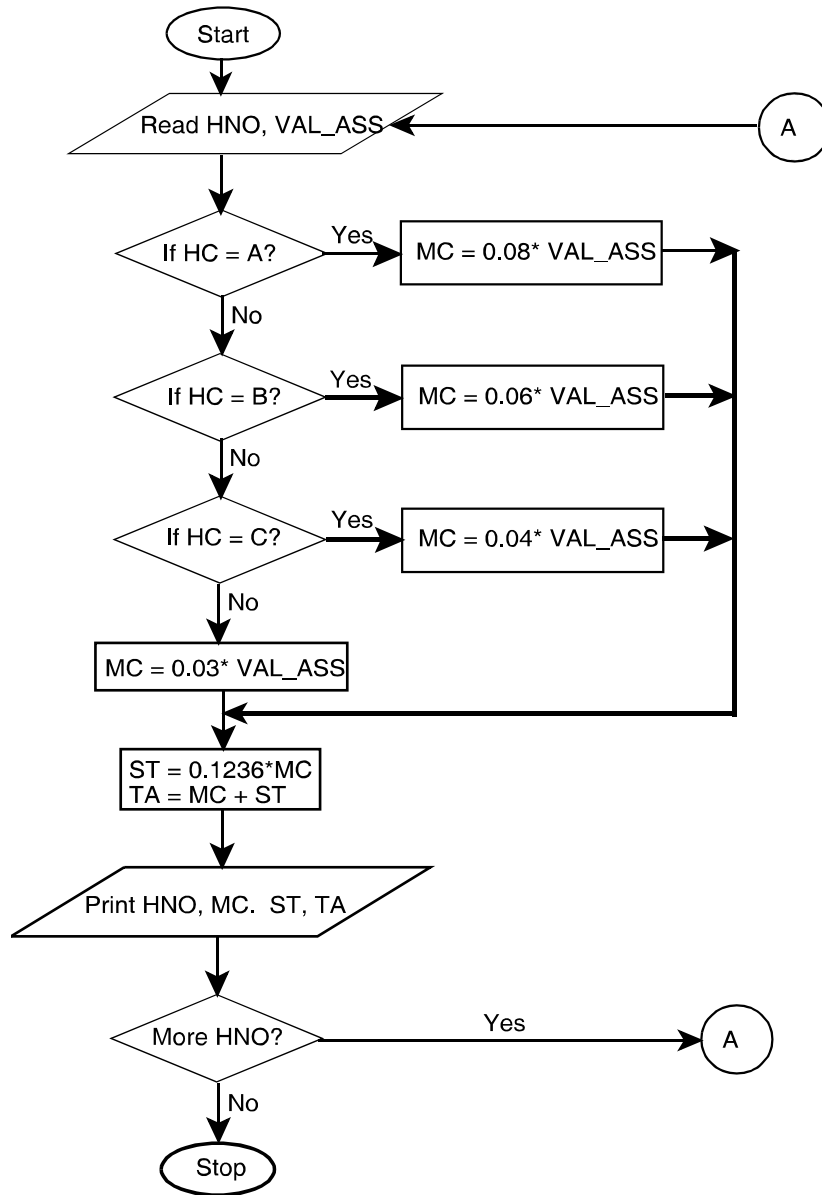
ST: Service Tax

MC: Maintenance Charges

The desired flowchart is given as follows:

TA: Total Amount

7.32 ■ Solved Scanner CA Inter Gr. II Paper - 7A (New)





**2015 - May [2]** ABC Limited is a software development company, which appointed 50 software engineers in August' 2014 at a monthly salary of ₹ 30,000. All these engineers shall be entitled for an increment in their monthly salary after six months. The increment on present monthly salary shall be based on their performance to be evaluated on a 100 marks scale as per details given below:

- Performance Marks  $< 70$ , then increment shall be 10% of present salary.
- $70 \leq$  Performance marks  $< 80$ , then increment shall be 20% of present salary.
- Performance Marks  $\geq 80$ , then increment shall be 30% of present salary.

Draw a Flow-Chart to enable to print the details like name of the engineer, performance marks, monthly increment amount and revised monthly salary for each of these 50 engineers. (8 marks)

**Answer:**

**Let us define the variables first:**

PM: Performance Marks

RESAL: Revised Monthly Salary,

INCAMT: Increment Amount,

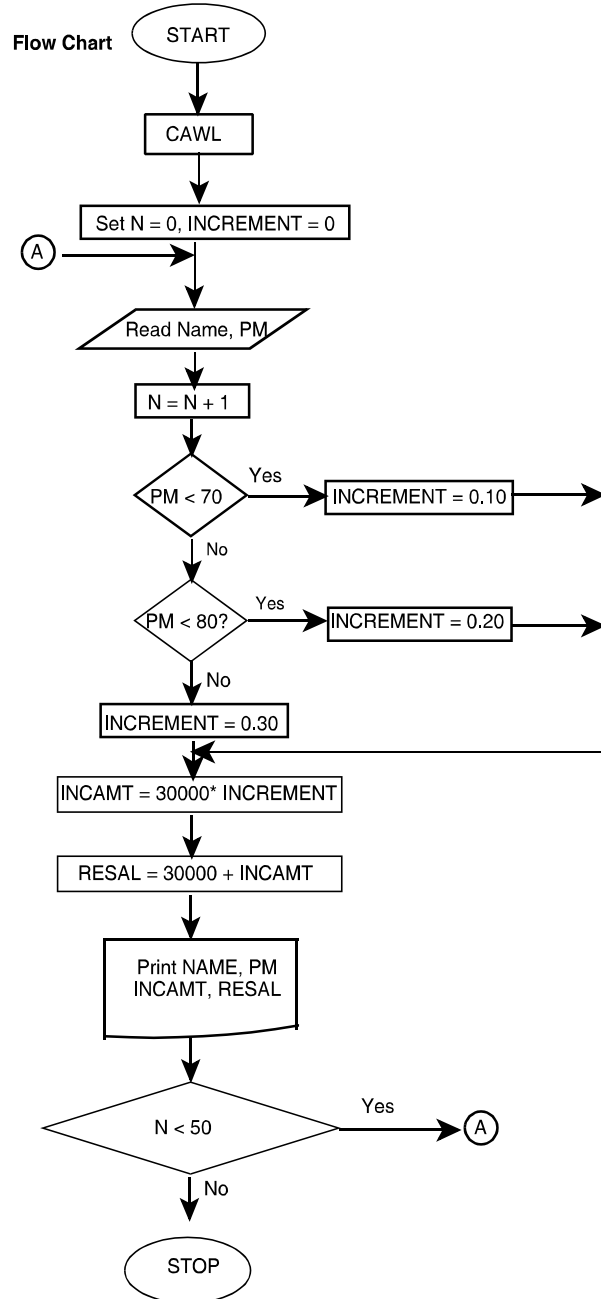
NAME: Name of Engineer,

N: Pointer to track number of Engineers,

INCREMENT = 0

7.34

Solved Scanner CA Inter Gr. II Paper - 7A (New



**2015 - Nov [2]** An E-Commerce site has the following cash back offers.

- (i) If the purchase mode is via website, an initial discount of 10% is given on the bill amount.
- (ii) If the purchase mode is via phone app, an initial discount of 20% is given on the bill amount.
- (iii) If done via any other purchase mode, the customer is not eligible for any discount.

Every purchase eligible to discount is given 10 reward points.

- (a) If the reward points are between 100 and 200 points, the customer is eligible for a further 30% discount on the bill amount after initial discount.
- (b) If the reward points exceed 200 points, the customer is eligible for a further 40% discount on the bill amount after initial discount.

Taking purchase mode, bill amount and number of purchases as input, draw a flowchart to calculate and display the total reward points and total bill amount payable by the customer after all the discount calculation. (8 marks)

**Answer:**

**Please see answer on next page**

Let us define the variables first:

PM: Purchase Mode

BA: Bill Amount TBA : Total Bill Amount

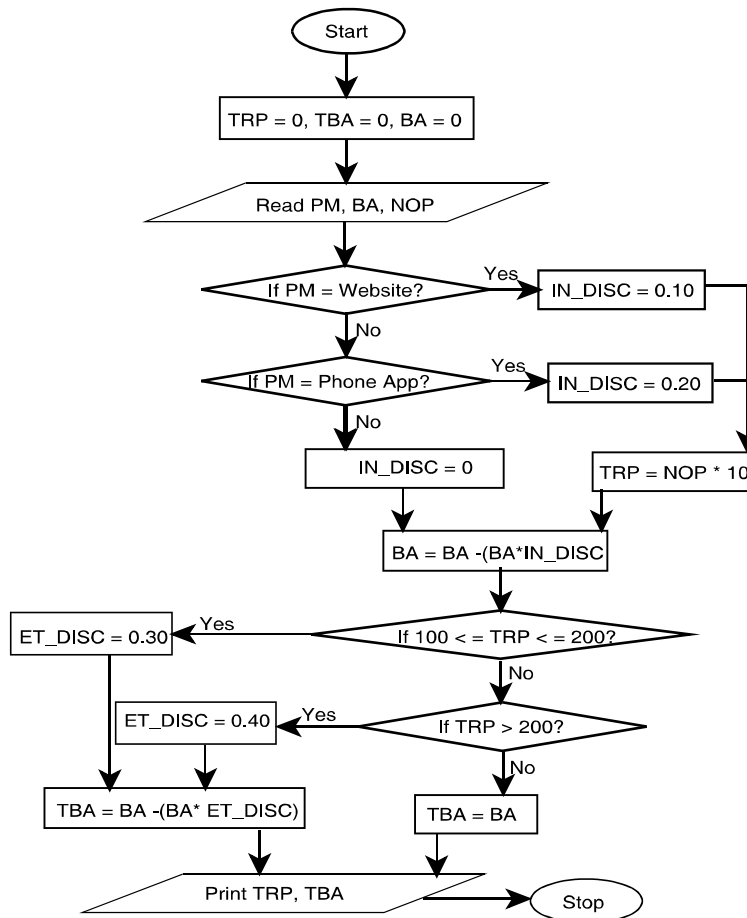
NOP: Number of Purchases TRP: Total Reward Points

IN\_DISC: Initial Discount

ET\_DISC: Extra Discount on purchases eligible to Initial Discount

N: Counter (to track the number of purchases)

7.36

**Solved Scanner CA Inter Gr. II Paper - 7A (New)**


**2016 - Nov [5]** Draw a Flowchart for the following process:

Leebay is a new e-commerce website that is setting up business in India. Leebay and their partner bank Paxis have come up with a joint promotion plan for which the following offers are proposed.

Customers can either log in through a mobile app or directly from the website:

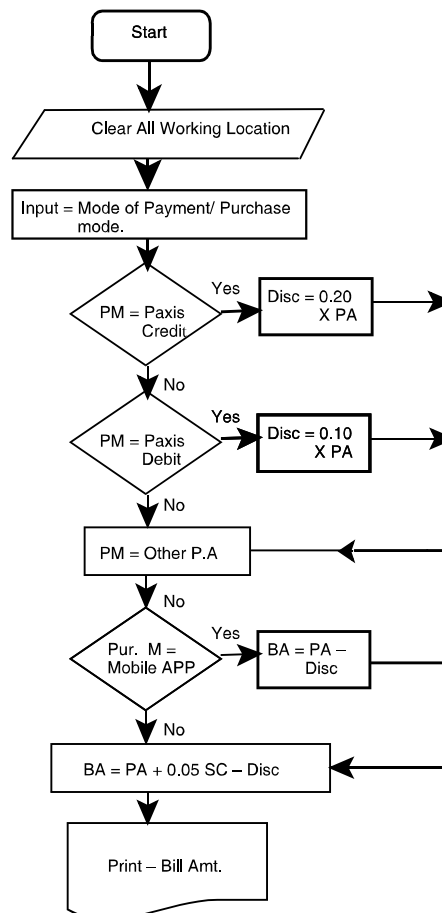
- (1) If the payment mode chosen is 'Paxis Credit', then a 20% discount is given to the user.
- (2) If the payment mode chosen is 'Paxis Debit', then a 10% discount is given to the user.
- (3) If other payment modes are used, then no discount is given.

Also, to promote the downloads of its new smartphone app, the company has decided to give the following offer:

1. If the purchase mode is 'Mobile App', then no surcharge is levied on the user.
2. If any other purchase mode is used, then additional 5% surcharge is levied on the user. This surcharge is applied on the bill after all necessary discounts have been applied.

With bill amount, payment mode and purchase mode as inputs, draw a flowchart for the billing procedure for Leebay. (1 × 8 = 8 marks)

**Answer:**



**7.38**

■ **Solved Scanner CA Inter Gr. II Paper - 7A (New**

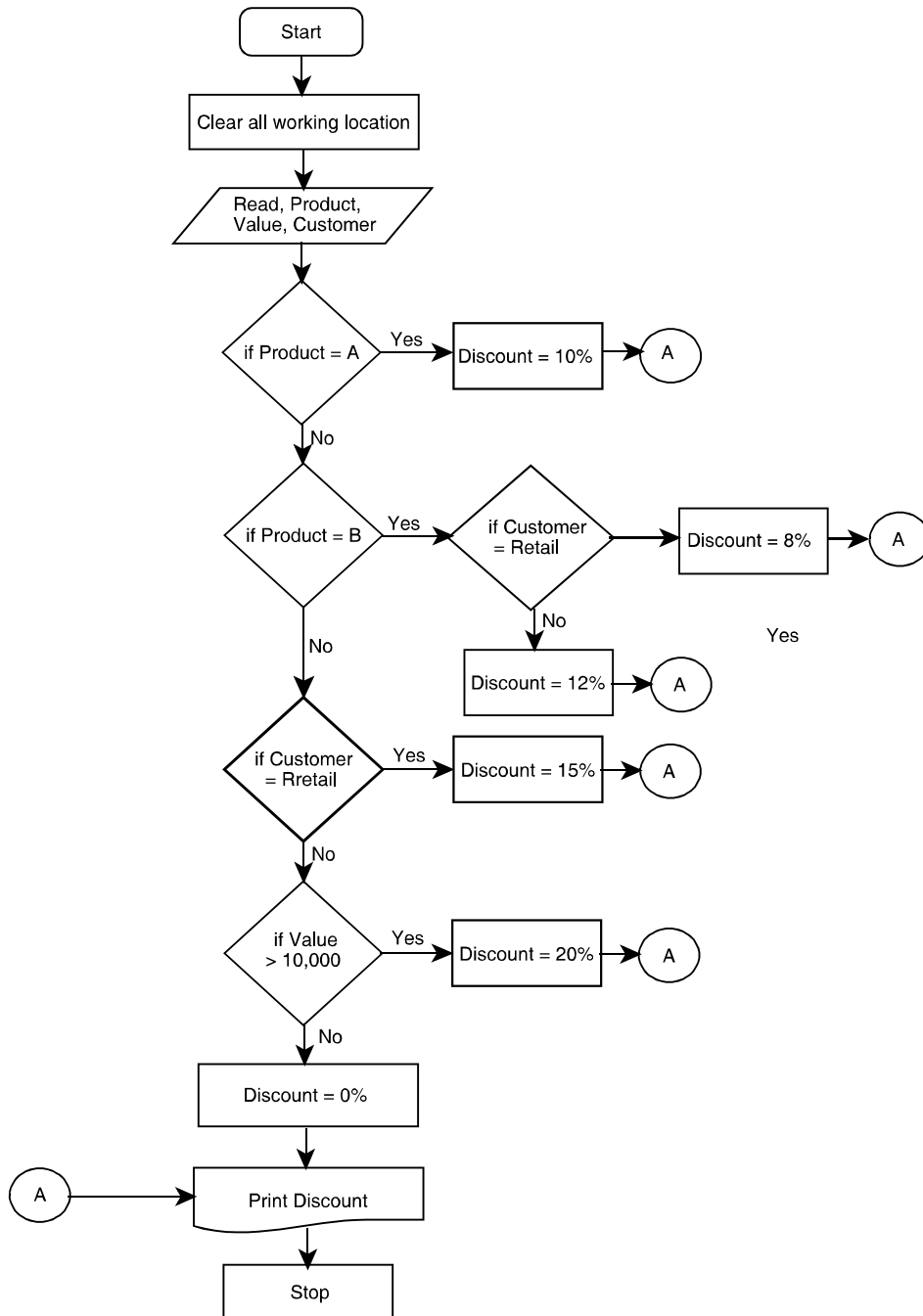
**2017 - May [2]** A company is selling three types of products, namely, A, B and C to two different types of customers viz. dealers and retailers. To promote the sales, the company is offering the following discounts:

- (i) 10% discount is allowed on Product A, irrespective of the category of customers and the value of order.
- (ii) On product B, 8% discount is allowed to retailers and 12% discount to dealers, irrespective of the value of order.
- (iii) On product C, 15% discount is allowed to retailers irrespective of the value of order and 20% discount to dealers if the value of order is minimum of ₹ 10,000.

Draw a flowchart to calculate the discount for the above policy. (8 marks)

**Answer:**



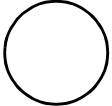
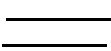
**Please see answer on next page**



**Data Flow Diagrams****1. Concept of Data Flow Diagram (DFD):**

- A Data flow diagram graphically describes the flow of data within an organisation. It is used to document existing system and to plan and design new ones. There is no ideal way to develop a DFD; different problems call for different methods. A DFD is composed of four basic elements : data sources and destinations, data flows, transformation processes, and data stores. Each is represented on a DFD by one of the symbols shown in figure given below.

**Data Flow Diagram Symbols**

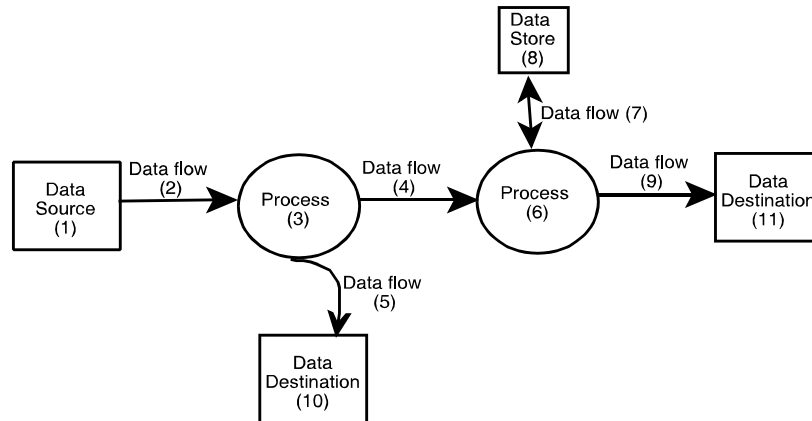
Symbol		Explanation
	Represent Data Sources and destinations	The people and organizations that send data to and receive data from the system are represented by square boxes. Data destinations are also referred to as data sinks.
	Represent Data flows	The flow of data into or out of a process is represented by curved or straight lines with arrows :
	Represent Transformation process	The processes that transform data from inputs to outputs are represented by circles. They are often referred to as bubbles.
	Represent Data stores	The storage of data is represented by two horizontal lines.



These four symbols are combined to show how data are processed

**For Example :**

In data flow

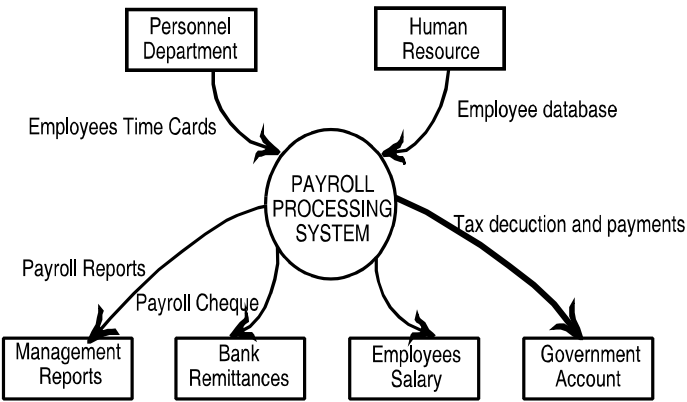


- Input to process (3) is data flow, (2) which comes from data source (1). The outputs of process (3) are data flows (4) and (5) Data flow (5) is sent to data destination (10). Process (6) uses data flow (4) and (7) as input and produces data flow (9) and (7) as output. Data flow (7) comes from and returns to data store (8). Data flow is sent to data destination (11).
- Above figure assigns specific titles to each of the processes depicted in symbols.
- These figures will be used to examine the four basic elements of a DFD in more detail.

**2. Components of Data Flow Diagram :**

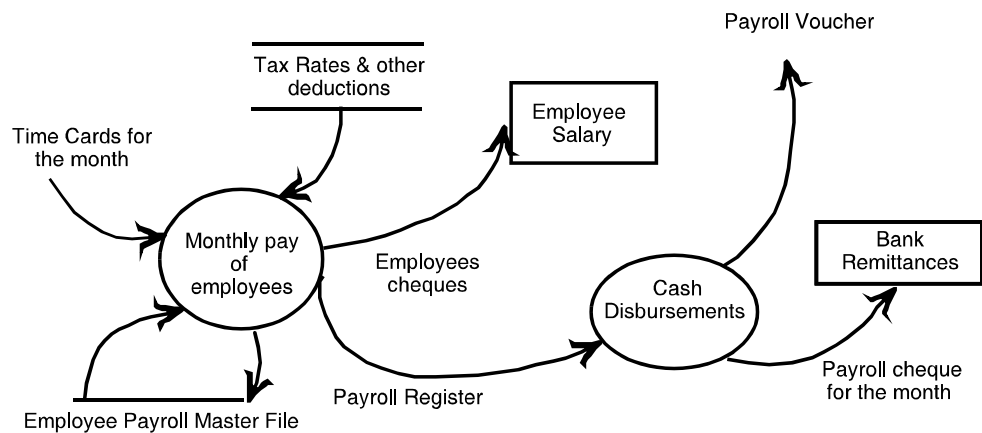
(i)	<b>Data Flows</b>	<ul style="list-style-type: none"> <li>• It represents the flow of data between processes, data stores, data source and destinations.</li> <li>• Data flow arrows are labelled to indicate the type of data being passed.</li> <li>• Data that pass between data stores and a data source/destination must go through some form of data processing, i.e. through a transformation process.</li> </ul>
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(ii)	<b>Data Source and Destinations</b>	<ul style="list-style-type: none"> <li>• An entity can be both a Source and a Destination.</li> <li>• A source or destination symbol on the DFD represents an organisation or individual that sends or receives data used or produced by the system.</li> <li>• A Data Flow can consist of one or more pieces of datum. As data flow may be composed of more than one data element, it must be determined whether to show one or more lines. The determining factor is whether the data elements always flow together.</li> </ul>
(iii)	<b>Processes</b>	<ul style="list-style-type: none"> <li>• Process represent the transformation of data into information.</li> <li>• The output is sent to Data Stores or Data Destinations.</li> </ul>
(iv)	<b>Data Stores</b>	<ul style="list-style-type: none"> <li>• A Data Store is a temporary or permanent repository of data.</li> <li>• DFDs do not show the physical storage medium (disks, paper, etc.) used to store the data.</li> <li>• Like other DFD elements, Data Store names should be descriptive.</li> <li>• As in above figure, item (8) data store are represented by horizontal lines, with the data store's name recorded inside.</li> </ul>
<b>3. Sub-division of Data Flow Diagrams</b>		
(i)	<b>Need for Sub-Division</b>	Data flow Diagrams are sub-divided into successively lower levels in order to provide increasing amount of detail. This is because only few systems can be fully diagramed on one sheet of paper. Moreover, different Users have different needs, and hence, various DFD levels covering each user area can only satisfy their requirements.

(ii)	<b>Context Diagram</b>	The highest-level DFD is referred to as a <b>Context Diagram</b> . A context diagram provides the reader with a summary level view of a system. It depicts a data processing system and the external entities that are the sources and destinations of the system's inputs and outputs.
(iii)	<b>An example Context Diagram</b>	<p>is shown below. Example shows the payroll processing procedures. On an inference, it is understood that the Payroll Processing System receives time cards from the Personnel Department and employee data from the Human Resources Department. When these data are processed, the system produces:</p> <ul style="list-style-type: none"> <li>(a) Tax reports for payments into Government Account,</li> <li>(b) Employee pay cheques,</li> <li>(c) A cheque for the entire salary amount to be deposited in the Bank Account, and</li> <li>(d) Payroll Reports for submission to Management for review.</li> </ul>  <pre> graph TD     PD[Personnel Department] -- "Employees Time Cards" --&gt; PPS((PAYROLL PROCESSING SYSTEM))     HR[Human Resource] -- "Employee database" --&gt; PPS     PPS -- "Payroll Reports" --&gt; MR[Management Reports]     PPS -- "Payroll Cheque" --&gt; BR[Bank Remittances]     PPS -- "Employees Salary" --&gt; ES[Employees Salary]     PPS -- "Tax decuction and payments" --&gt; GA[Government Account]     </pre>

4. **Sub-division of DFD:** Sub-dividing the Context Diagram leads to modules of lesser levels. In the aforesaid example, if preparation of employee pay cheques is taken as a lower level, the activities concerned with it will be represented by a separate sub-divided DFD. The sub-divided DFD for preparation of pay cheques will involve activities like computation of monthly pay, tax deductions, other deductions, recovery of advances, drawing up cheques in the employees name, preparation of payroll voucher and updation of the payroll Master File.

The process of sub - divided Data is represented below :



[Figure shows the sub-divided Context Diagram of DFD]

### Business Process Management

BPM refers to the closed loop interactive management of business over its complete life cycle. All the key terms of the definition are explained below:

- |    |                    |  |
|----|--------------------|--|
| 1. | <b>Achievement</b> | Realizing the strategic objectives as outlined in the organization's strategic plan. |
|----|--------------------|--|

2.	<b>Organization</b>	The organization in this context refers to an enterprise or parts of an enterprise perhaps a business unit that is discrete in its own right.
3.	<b>Objectives</b>	The objectives of a BPM implementation range from the strategic goals of the organization through to the individuals process goals.
4.	<b>Improvement</b>	It is about making the business processes more efficient and effective.
5.	<b>Management</b>	It refers to the process and people performance measurement and management. It is about organizing all the essential components and subcomponents for a processes.
6.	<b>Essential</b>	Not every process in an organization contributes towards the achievement of the organization's strategic objectives. Essential processes are the ones that do.
7.	<b>Business</b>	An implementation of BPM must have an impact on the business by delivering benefits.

**KZ - 3****Knowledge Zone****Scope of the IT Act :**

This Act is meant for whole of India unless otherwise mentioned. It applies also to any offence or contravention thereunder committed outside India by any person.

**The Act shall not apply to the following :**

- A negotiable instrument as defined in Section 13 of the Negotiable Instruments Act, 1881.
- A power-of-attorney as defined in Section 1A of the Powers-of-Attorney Act, 1882.
- A trust as defined in Section 3 of the Indian Trusts Act, 1882.

**7.46****■ Solved Scanner CA Inter Gr. II Paper - 7A (New)**

- A will as defined in Section (h) of Section 2 of the Indian Succession Act, 1925 including any other testamentary disposition by whatever name called.
- Any contract for the sale or conveyance of immovable property or any interest in such property.
- Any such class of documents or transactions as may be notified by the Central Government in the Official Gazette.

The Act consists of 94 Section spread over thirteen Chapters and four Schedules to the Act. The Schedules to the Act contain related amendments made in other Acts as outlined in the Objectives of the Act, namely, the Indian Penal Code, the Indian Evidence Act, 1972, the Banker's Book Evidence Act, 1891 and the Reserve Bank of India Act, 1934.

**Similarly Asked Questions\***

No.	Category	Question	Marks	Frequency
1	Short Notes/ Descriptive	Write short notes on the following: Program Debugging 10 - Nov [7] (c), 13 - May [7] (ii)	2, 2	2 Times

**Table Showing Marks of Compulsory Questions**

Year	12 N	13 M	13 N	14 M	14 N	15 M	15 N	16 M	16 N	17 M
Dt. Between					2					
Descriptive						2				2
Total					2	2				2

\* This table contains the Similarly Asked Questions. Please pay more attention to such questions.