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| Name: | |  | |
| Enrolment No: | | | |
| UNIVERSITY OF PETROLEUM AND ENERGY STUDIES End Semester Examination, December 2022 | | | |
| Course: Financial and Systemic Fraud (Hons 3) Program: BA LL.B. (Hons.) (EL/ Cri. L/ LL/ CL) Course Code: CLCL 4006 | | Semester: VII Time: 03 hrs. Max. Marks: 100 | |
| Instructions: | | | |
| SECTION A (5Qx2M=10Marks) | | | |
| S. No. | | Marks | CO |
| | Statement of question | | |
| Q 1 | What is wire card fraud? | 2 | CO1 |
| Q 2 | Explain foreman concept? | 2 | CO1 |
| Q 3 | What is the concept of chit fund? | 2 | CO1 |
| Q 4 | What are the three types of investigation under SFIO? | 2 | CO1 |
| Q 5 | Describe wrongful and fraudulent trading? | 2 | CO1 |
| SECTION B (4Qx5M= 20 Marks) | | | |
| | Statement of question | | |
| Q 6 | Elucidate the connection of occupational and organizational crimes. | 5 | CO2 |
| Q 7 | Analyze the case of PNB bank. | 5 | CO2 |
| Q 8 | Justice Thakker had stated that murder can be committed in the heat of moment, but these economic offences are committed with a cool calculation and planned strategy to gain personal profits. Elucidate the statement. | 5 | CO2 |
| Q 9 | Priyansh who is a salesman sell's a used car salesman, where Priyansh assures the naive customer that the 5 years old manufactured and used car was still in good conditions and just have been used for 15,000 miles. In reality, Priyansh knows that the care is being used for 50,000 miles and car body parties needs to be replaced and it have some issues in its functioning. Still he sells his naïve customer the worn out car, which had being used for 50,000 miles. What kind of fraud is committed by Priyansh and what are the elements required for this crime. | 5 | CO2 |

| SECTION-C (2Qx10M=20 Marks) | | | |
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| | Statement of question | | |
| Q 10 | Expound the conception of fraud under civil and criminal liability of fraud under the Indian legal system with the help of different categories of fraud covered under different legislations with apt cases in support of answer. | 10 | CO3 |
| Q 11 | Niraj and son's was a firm that was in the business of manufacturing customized furniture and household items utilized in home. They have the huge business and to look after the business they appointed a manager who works for firm and look into all the affairs of Niraj and sons. The was Manager empowered with certain powers to take the decisions in the benefit of the business and for the same purpose was allowed for buying the goods for the firms, entering into the contract and make payments to the employees and enter into financial transactions from time to time in the name of the firm. The Manager used to order the material and goods from specific vendor who was supplying the goods and material to firm for past 10 years which of specific quality and quantity. Manager changed the vendor enter into the contract with the vendor who provided goods at cheaper rates to the firm. The new vendor agreed with the Manager that if he gives him the contract of the firm, the manager will be giving him 40 % of profit from the contract. The goods supplied by new vendor was not of specific quality but was of inferior quality due to which the business of firm was affected, and the reputation of the firm was damaged. Firms' sales went down and customers started complaining about the quality of their appliances. Explain the liability of the Manager and the new vendor. Remedies applicable to Niraj and sons against Manager and vendor. | 10 | CO3 |
| SECTION-D (2Qx25M=50 Marks) | | | |
| | Statement of question | | |
| Q 12 | ANISON outsourcing company who also run a call center provided outsourcing facility to its customers for different facilities, which operated from Delhi. These employees together misguiding their customers obtained their PIN codes of 10 Customers who were clients of the company who had their banking counts in OVERSEA group. According to the policies of the company, employees were not authorized to ask or obtain PINs of its customer and in that behalf the company had clear policies and guidelines for the employees. After obtaining the PINs in June, 2021 they with the help of their friends opened new accounts in ICICI bank using false identities. Within 3 months from July to September, 2022 they used those PINs and the accounts information they had of those 10 clients they during their employment at call center transferred money from OVERSEA account of clients to their new | 25 | CO4 |

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| | <p>accounts which they have opened in ICICI bank. During that 3 month they had transferred 50, 00000/- lakhs from those 10 clients' accounts. In one of the clients of ANISON outsourcing company's call center had some suspicion and cross verified his account statement with OVERSEA bank and he found the transferred financial transactions from OVERSEA to ICICI which he had not done. He reported to the Bank, as well as reported the ANISON outsourcing company. Substantiate with apt provisions and cases</p> <ol style="list-style-type: none"> In the given circumstance, explain the remedies available to the clients. (10 marks) Clarify the procedure and application of legal provisions in this situation against those 2 employees with apt case applicable. (10 marks) What kind of fraud was committed by the employees explain? (5 marks) | | |
| Q 13 | <p>Critically analyses the nexus between white-collar crimes and corporate fraud with the characteristics applicable to them. Justify with relevant applicable provisions under Indian legal system to deal with financial and systemic frauds conducted through both with relevant cases.</p> <p style="text-align: center;">Or</p> <p>Elucidate the steps taken by RBI, SEBI and PMLA, 2002 for combating with Anti Money Laundering and Combating of Financing of Terrorism as per FATF recommendation incorporated in India. Explain the changes brought under the PMLA through the amendments for combating Money laundering. Is their any link between money laundering and black money with the steps taken by the government to deal the same through cases and illustrations.</p> | 25 | CO4 |