

Roll No																			
---------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--



**PRESIDENCY UNIVERSITY
BENGALURU**

SET-A

**SCHOOL OF MANAGEMENT
END TERM EXAMINATION – MAY/JUNE 2024**

Semester: Semester VI - 2021

Date : May 31, 2024

Course Code: COM3024

Time : 9:30 AM - 12:30 PM

Course Name: Forensic Accounting

Max Marks : 100

Program: BBA

Weightage : 50%

Instructions:

- (i) Read all questions carefully and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and non-programmable calculator are permitted.
- (iv) Do not write any information on the question paper other than Roll Number.

PART - A

ANSWER ANY 5 QUESTIONS

5 X 2 = 10

1. Describe the key components of the FAIS 110 standard, highlighting its focus on providing clarity on the purpose of engagement.
(CO1) [Knowledge]
2. Define Forgery and Counterfeiting?
(CO2) [Knowledge]
3. Outline the meaning of Red Flags.
(CO3) [Knowledge]
4. Define the concept of data mining.
(CO4) [Knowledge]
5. List the type of interview conducted after reviewing evidence, aiming to understand the situation thoroughly and assess potential liability.
(CO5) [Knowledge]
6. Identify proactive fraud risk mitigation techniques, emphasizing pre-approval, access controls, physical asset control, and separation of duties.
(CO3) [Knowledge]
7. Describe the Relative Size Factor (RSF) technique used in data analysis?
(CO4) [Knowledge]

PART - B

ANSWER ANY 5 QUESTIONS

5 X 10 = 50

8. Explain the roles and responsibilities of forensic accountants in investigating financial irregularities within organizations. Detail the specific tasks and duties that forensic accountants undertake, including the investigation of fraudulent activities, determination of fraud occurrence, identification of perpetrators, gathering of financial evidence, and acting as expert witnesses. Provide examples to illustrate how forensic accountants contribute to legal proceedings and discuss the importance of adhering to professional standards and ethical guidelines throughout the investigative process.
(CO1) [Comprehension]
9. Explain some examples of financial crimes, such as embezzlement, forgery and counterfeiting, and identity theft, and how do they differ in terms of the actions involved and their impact on individuals and organizations.
(CO2) [Comprehension]
10. You are a risk management professional working for a large Indian bank. You've been tasked with reviewing the bank's current fraud risk management practices. How can Indian banks and companies effectively utilize a comprehensive fraud risk management framework to mitigate potential financial losses?
(CO3) [Comprehension]
11. In a forensic examination, a crucial step is understanding the various entities with an interest in the outcome. This includes both those directly involved and those impacted indirectly. What process is used to identify and categorize the different individuals and groups with a stake in the forensic examination, considering there can be internal parties within the forensic service itself and external parties across various domains?
(CO4) [Comprehension]
12. In the context of a financial fraud investigation within a multinational corporation, discuss the application of the forensic interview process. Detail how each phase plays a role specifically within the forensic interview framework. Illustrate how this process contributes to gathering pertinent information and establishing findings relevant to the investigation.
(CO5) [Comprehension]
13. XYZ Corporation, a multinational financial services company, recently experienced a significant internal fraud incident involving one of its senior executives. Despite having established controls and measures to mitigate internal fraud risks, the company suffered substantial financial losses due to the fraudulent activities of the executive.
Reflecting on the case of XYZ Corporation, discuss the importance of each stage in the framework of controls and measures to mitigate internal fraud risks. How could the company have utilized the stages more effectively to prevent such incidents?
(CO3) [Comprehension]
14. A company suspects fraudulent activity within its financial department. What are the primary goals and how would you define the scope of a proper investigation into this potential fraud?
(CO4) [Comprehension]

PART - C

ANSWER ANY 2 QUESTIONS

2 X 20 = 40

15. Secure Trust Bank has seen a rise in customer account takeover attempts. They currently have basic fraud detection measures but lack a formal framework to manage these risks. Analysts are recommending the implementation of "fraud risk governance."
What is fraud risk governance, and what key elements would it likely encompass for Secure Trust Bank?
(CO3) [Application]

- 16.** Starlight Bank has seen a rise in fraudulent account activity, leading to significant financial losses. They are committed to improving their fraud prevention efforts but are unsure of the most effective strategies to implement.
Describe the various methodologies and strategies that Starlight Bank can utilize to create a comprehensive fraud prevention program.
(CO3) [Application]
- 17.** The Serious Fraud Investigation Office (SFIO) plays a critical role in safeguarding India's corporate environment. Explain the meaning, role, importance, and investigative powers of the SFIO.
(CO4) [Application]