

**DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD**

M.A. (CRIMINAL LAW & FORENSIC SCIENCE)

Academic Year: 2025-2026

**Fourth Semester Repeat Examination – Online Proctored Examination
(November, 2025)**

2.4.10. Forensic Accounting

Duration of the Examination: 2 ½ hours

Total Marks : 70 marks

INSTRUCTIONS TO CANDIDATES

- a) Read the instructions carefully and adhere to the same.
- b) Please mention your Name, DDE ID No., date of the exam, name of the programme, name of the subject, total number of pages on the first page and write the page numbers in sequence on each sheet before upload.
- c) The questions to be interpreted as given and no clarification can be sought.
- d) Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.
- e) Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.
- f) Candidates need to check the scanned and pdf converted file before uploading, whether all pages are scanned properly and the same is in sequence and clearly visible.
- g) Candidates are prohibited to use phones or any other electronic devices, books, material etc. during the Examination.
- h) Copying from any source including from other students is strictly prohibited. Plagiarism is considered as a serious academic mis-conduct and the University will take action as it deems fit.

1. (a) Explain the distinction between Forensic Accounting and Financial Auditing. Discuss the scope of forensic accounting in detecting financial frauds in modern organizations. **(10 marks)**

1. (b) Assume you are a forensic accountant hired by a public sector bank to investigate suspected loan irregularities involving a large corporate borrower. Outline the process of conducting the forensic audit, identifying at least four key red flags you would examine, and explain how your findings could support litigation. **(15 marks)**

2. (a) Define Digital Forensics and discuss its significance in modern forensic audit practice. Highlight the role of technology and data analytics in identifying financial misconduct. **(10 marks)**

2. (b) You are appointed to investigate suspected manipulation of accounts in an e-commerce firm. Explain how you would integrate Benford's Law, digital forensics, and data analysis techniques in your forensic audit plan to detect anomalies. Provide at least one illustrative example. **(15 marks)**

3. (a) Discuss the relevance of the Prevention of Money Laundering Act, 2002 (PMLA) and the Companies Act, 2013 in combating corporate fraud. **(10 marks)**

3. (b) A multinational company operating in India is suspected of transferring illicit funds abroad through falsified invoices. As a forensic expert, explain how you would apply the provisions of FEMA, 1999, PMLA, 2002, and the Indian Evidence Act, 1872 to trace, document and present evidence in court. **(10 marks)**