

WATCHLIST – FRAUDS THIS WEEK

HIGHLIGHTS

INDIA

1. **KINGPIN OF Rs 200 CRORE CHIT FUND SCAM CLAIMS 'DOUBLE JEOPARDY' IN ORISSA**
2. **ODISHA TAX OFFICIALS BUST Rs 712 CRORE GST FRAUD, ARREST ONE PERSON**
3. **FIRM DIRECTOR HELD IN Rs 18 CRORE EXPORT SCAM IN MUMBAI**
4. **NIA ARRESTS TWO MEN FOR CIRCULATING COUNTERFEIT INDIAN CURRENCY NOTES IN SILIGURI**
5. **3 ARRESTED FROM BIHAR, UP FOR RUNNING FAKE SCHEME UNDER PM'S NAME**
6. **FOUR HELD WITH Rs 5.93 LAKH FAKE CURRENCY IN HOSHIARPUR**
7. **DELHI HIGH COURT SETS ASIDE 6 ARREST ORDERS AGAINST EXTRADITED INDUSTRIALIST IN FRAUD CASES**
8. **BOMBAY HIGH COURT REFUSES PRE-ARREST BAIL TO TRADER BOOKED FOR CLAIMING FRAUDULENT INPUT TAX CREDIT OF Rs 63.50 CRORE**
9. **INTERSTATE GANG INVOLVED IN SMUGGLING ILLICIT LIQUOR FROM HARYANA INTO DELHI BUSTED**
10. **A CHEATING COMPLAINT IN HYDERABAD UNEARTHES CHINESE ONLINE GAMBLING SCAM WORTH CRORES**

INTERNATIONAL

1. **INDIA'S INFAMOUS ANGEL INVESTOR, CONVICTED IN A \$5.5 MILLION SCAM, CONVICTED IN UNITED STATES**
2. **RETAIL COALITION TO FIGHT COUNTERFEITS ON AMAZON, EBAY**
3. **THREE PERSONS, 16 TO 21, ARRESTED FOR S\$9,800 COUNTERFEIT LUXURY BAG SCAMS ON CAROUSELL**
4. **BIR CONFISCATES P1.2B WORTH OF COUNTERFEIT CIGARETTES, TAX STAMPS IN PHILLIPINES**
5. **NEARLY \$2 MILLION WORTH OF FAKE WATCHES SEIZED AT CINCINNATI PORT**
6. **TWO €20K DRUG SEIZURES IN TWO DAYS AS LOUTH GARDAI TACKLE CRIME GANGS**
7. **CBP SEIZE \$68 MILLION IN DRUGS, COUNTERFEIT SNEAKERS WORTH \$4.3 MILLION IN TEXAS**
8. **21 ARRESTED IN \$250K UNEMPLOYMENT FRAUD SCHEME USING CALIFORNIA INMATES' INFORMATION IN UNITED STATES**
9. **P \$1,15,000 IN COUNTERFEIT PURSES, MAKEUP, SHOES SEIZED AT UPS WORLDPORT IN LOUSVILLE**
10. **TOBACCO WORTH 5 MILLION EUROS SEIZED AT ILLICIT FACTORY IN SOUTH BUCKS**

INDIA

1. KINGPIN OF Rs 200 CRORE CHIT FUND SCAM CLAIMS 'DOUBLE JEOPARDY' IN ORISSA

Link: <https://www.newindianexpress.com/states/odisha/2020/aug/15/kingpin-of-rs-200-cr-chit-fund-scam-claims-double-jeopardy-2183735.html>

The Orissa High Court on Friday adjourned hearing till September 3 on the petition filed by Artha Tatwa (AT) group chief Pradeep Sethy claiming 'double jeopardy' for his release from jail as he has already completed the seven years sentence ordered by Chief Judicial Magistrate (CBI), Bhubaneswar on April 6, 2017. Double jeopardy is the universally accepted principle that bars a person from being tried and convicted more than once for the same offence. Sethy, who has been in jail since May 13, 2013, filed the petition on June 30. He also claimed double jeopardy for quashing all the FIRs registered against him after his conviction as the scope of investigation and charges are the same.

2. ODISHA TAX OFFICIALS BUST Rs 712 CRORE GST FRAUD, ARREST ONE PERSON

Link: <https://www.hindustantimes.com/india-news/gst-fraud-odisha-tax-officials-bust-rs-712-crore-gst-fraud-arrest-one-person/story-DTt4CknfIUbYvhYNsSf6VI.html>

Officials in Odisha have busted a GST invoice racket allegedly involving Rs 712 crore. They have also arrested a businessman for carrying out fake transactions. Odisha GST commissioner Sushil Lohani said GST officials arrested Madhumita Steels Industries Private Limited director Kashmira Kumar Agrawal for allegedly transferring bogus input tax credit of Rs 129 crore to recipients in and the state Odisha through fake invoices worth Rs 712 crore.

3. FIRM DIRECTOR HELD IN Rs 18 CRORE EXPORT SCAM IN MUMBAI

Link: <https://timesofindia.indiatimes.com/city/mumbai/mumbai-firm-director-held-in-rs-18-crore-export-scam/articleshow/77561105.cms>

Customs department has arrested Adesh Saple, director of Sky Touch Aviation Pvt Ltd, for indulging in fraudulent claim of export incentives and refund of Integrated Goods and Services Tax (IGST), a variant of GST, totaling nearly Rs 18 crore. Customs had detained goods pertaining to 16 shipping bills filed in the name of Prince Enterprises. The import export code (IEC) was in the name of Manish Pagare, but it was found that it was obtained by Saple by submitting fake documents. Officials of Customs (preventive) unit also found that the goods were misdeclared and overvalued against the declared value in the shipping bills. the goods declared as men's garments

turned out to be rags.

4. NIA ARRESTS TWO MEN FOR CIRCULATING COUNTERFEIT INDIAN CURRENCY NOTES IN SILIGURI

Link: https://www.business-standard.com/article/current-affairs/nia-arrests-two-men-for-circulating-counterfeit-indian-currency-notes-120081800143_1.html

The National Investigation Agency (NIA) on Monday arrested two persons for their alleged involvement in circulation of Fake Indian Currency Notes (FICN). Two accused identified as Md. Baitullah and Md. Mukhtar were arrested in connection with a case which pertains to a conspiracy hatched by a network of individuals for production, circulation and smuggling of High-Quality Counterfeit Indian Paper Currency Notes, NIA said.

5. 3 ARRESTED FROM BIHAR, UP FOR RUNNING FAKE SCHEME UNDER PM'S NAME

Link: <https://www.ndtv.com/india-news/delhi-police-arrest-3-people-from-bihar-uttar-pradesh-for-running-fake-scheme-pradhan-mantri-shishu-vikas-yojana-under-pms-name-police-2281584>

The Delhi Police has arrested three people for allegedly running fake websites in the name of "Pradhan Mantri Shishu Vikas Yojana" and registering over 15,000 people through a large network of agents running up to panchayat level. The police said the accused have been identified as Neeraj Pandey, Suvender Yadav, both residents of Patna in Bihar, and Adarsh Yadav from Ayodhya in Uttar Pradesh. A case was registered on the complaint of the Director of National Health Authority who alleged that a fake website -- www.pmsvy-cloud.in -- has floated a forged scheme "Pradhan Mantri Shishu Vikas Yojna" and was taking money from people in the name of registration and children insurance.

6. FOUR HELD WITH Rs 5.93 LAKH FAKE CURRENCY IN HOSHIARPUR

Link: <https://www.tribuneindia.com/news/jalandhar/four-held-with-rs5-93-lakh-fake-currency-128769>

The local police on Wednesday arrested four persons for allegedly printing and supplying fake Indian currency notes of Rs 5,93,600. SSP Navjot Singh Mahal said acting on a tip-off, a police party led by SP (Investigation) Ravinder PAI Singh Sandhu and DSP Jagdish Attri planned to nab the persons indulged in this illegal practice of printing fake currency notes. He said SHO city police station Gobinder Kumar and Sub-Inspector Pardeep Kumar along with a police party conducted a raid and apprehended them from Tagore Nagar.

7. DELHI HIGH COURT SETS ASIDE 6 ARREST ORDERS AGAINST EXTRADITED INDUSTRIALIST IN FRAUD CASES

Link: <https://www.ndtv.com/india-news/delhi-high-court-sets-aside-6-arrest-orders-against-extradited-industrialist-vinay-mittal-in->

[fraud-cases-2282245](#)

The Delhi High Court has set aside six arrest orders against industrialist Vinay Mittal who was accused in seven fraud cases worth ₹ 40 crore and extradited to India from Indonesia in 2018. The high court said there was merit in the contention of Mittal that he cannot be arrested in any other case till the pending extradition requests are accepted by the Republic of Indonesia. Mittal was brought to India in October 2018 after the Indonesian authorities allowed the extradition request in CBI's one of the cases.

8. BOMBAY HIGH COURT REFUSES PRE-ARREST BAIL TO TRADER BOOKED FOR CLAIMING FRAUDULENT INPUT TAX CREDIT OF Rs 63.50 CRORE

Link: <https://www.hindustantimes.com/india-news/hc-refuses-pre-arrest-bail-to-trader-booked-for-claiming-fraudulent-input-tax-credit-of-rs-63-50-cr/story-rLnEMd0ufP2X1rZakVo9ZP.html>

Bombay high court (HC) on Tuesday rejected the anticipatory bail plea of a Mumbai-based trader, who is accused of fraudulently claiming the input tax credit (ITC) of Rs 63.50 crore on the materials that were never purchased by his firm and passed on the ITC to a web of firms across the country with whom he had never traded. Justice Sandeep Shinde rejected the pre-arrest bail plea of Ashok Kumar Chandrapal Singh, a partner in M/s. Sheela Sales Corporation.

9. INTERSTATE GANG INVOLVED IN SMUGGLING ILLICIT LIQUOR FROM HARYANA INTO DELHI BUSTED

Link: <https://www.indiatoday.in/crime/story/interstate-gang-involved-in-smuggling-illicit-liquor-haryana-delhi-busted-1713050-2020-08-20>

The Delhi Police busted an interstate gang of liquor mafia involved in supply and sale of illicit liquor in the national capital. The illicit liquor was allegedly being smuggled from Sonapat district in Haryana into Delhi in a stolen car bearing fake registration number of Uttar Pradesh. The accused, Adil, who is a resident of Jind district in Haryana, was arrested for smuggling illicit liquor. 300 quarters of illicit liquor and a car used in the transportation of the illicit liquor was also seized by the staff of Anti Auto Theft Squad (AATS).

10. A CHEATING COMPLAINT IN HYDERABAD UNEARTHES CHINESE ONLINE GAMBLING SCAM WORTH CRORES

Link: <https://indianexpress.com/article/cities/hyderabad/cheating-complaint-uneearths-online-gambling-scam-worth-crores-6561963/>

It seemed like a regular case of cheating when two persons approached the cyber-crime wing of the Hyderabad police earlier this month, complaining of losing Rs 97,000 and Rs 1.64 lakh respectively to a website dealing with online gaming — which is banned in Telangana. But investigations into the complaints have unearthed a larger conspiracy involving Chinese nationals and resulted in the recovery of Rs 30 crore from two bank accounts in Gurugram. Now, Cyber Crime officials are terming this an unprecedented case, for multiple reasons.

INTERNATIONAL

1. INDIA'S INFAMOUS ANGEL INVESTOR, CONVICTED IN A \$5.5 MILLION SCAM, CONVICTED IN UNITED STATES

Link: <https://inc42.com/buzz/indian-angel-investor-mukund-mohan-convicted-in-5-5-mn-scam-apologises/>

Former Amazon and Microsoft executive Mukund Mohan, who was recently in the US for forging documents to acquire more than \$5.5 Mn from the coronavirus relief fund, has recently written a blog post apologizing for his "screw up". Last month, Mohan was arrested for forging documents to acquire more than \$5.5 Mn from the coronavirus relief funds that were meant to help startups retain their workers amid the dried-up capital flow. He had allegedly claimed these benefits by showing fraudulent tax filings and altered incorporation documents of six shell companies- Zuput, GitGrow, Vangal, Expect Success. Mahenjo Inc and Zigantic LLC.

2. RETAIL COALITION TO FIGHT COUNTERFEITS ON AMAZON, EBAY

Link: <https://www.aljazeera.com/ajimpact/retail-coalition-fight-counterfeits-amazon-ebay-200814170430835.html>

More than a dozen trade groups are launching a new coalition aimed at forcing e-commerce companies such as Amazon.com Inc. to take stronger measures to fight stolen or counterfeit goods sold on their platforms. The industry associations, which represent Walmart Inc., Target Corp., and Best Buy Co. Inc. among other companies, announced on Friday they are founding The Buy Safe America Coalition to back legislation that would require digital marketplaces to verify information about third-party merchants.

3. THREE PERSONS, 16 TO 21, ARRESTED FOR S\$9,800 COUNTERFEIT LUXURY BAG SCAMS ON CAROUSELL

Link: <https://mothership.sg/2020/08/carousell-counterfeit-luxury-bags-scam/>

According to a statement released by the Singapore Police Force (SPF) on Saturday, Aug. 15, they received multiple reports between January and June 2020 from victims who were purportedly cheated by online sellers who claimed to be selling authentic luxury bags at discounted prices on the e-commerce platform. Some of the victims later discovered that the bags were counterfeit, while a few of them did not receive the bags after making payment as the suspects became uncontactable, the police said.

4. BIR CONFISCATES P1.2B WORTH OF COUNTERFEIT CIGARETTES, TAX STAMPS IN PHILLIPINES

Link: <https://business.inquirer.net/305451/bir-confiscates-p1-2b-worth-of-counterfeit-cigarettes-tax-stamps>

Raids conducted by the Bureau of Internal Revenue's (BIR) "strike team" against the illicit trade of cigarettes have already yielded over P1.2 billion in counterfeit sticks and fake tax stamps at a time when the government needed more revenues to finance its COVID-19 response. BIR Deputy Commissioner Arnel S.D. Guballa told the Inquirer they confiscated almost 4.9 million fake cigarettes worth P219.9 million during eight raids from January to June.

5. NEARLY \$2 MILLION WORTH OF FAKE WATCHES SEIZED AT CINCINNATI PORT

Link: <https://www.cincinnati.com/story/news/2020/08/15/feds-nearly-2-million-worth-fake-watches-seized-cincinnati-port/5593616002/>

Two shipments of counterfeit watches worth nearly \$2 million were seized at the Port of Cincinnati over the last two weeks, according to a release from U.S. Customs and Border Protection. The announcement, released Wednesday, states the shipments were manifested as "timers" and "watch" and contained a total of 54 counterfeit watches labeled as Audemar Piguet, Rolex, Cartier and Gucci. The shipments came with listed values of \$33 and \$200, although officials said the watches would have been worth a total of \$1.9 million had they been genuine.

6. TWO €20K DRUG SEIZURES IN TWO DAYS AS LOUTH GARDAI TACKLE CRIME GANGS

Link: <https://www.irishexaminer.com/news/arid-30997902.html>

Gardaí in Co. Louth have seized drugs worth in excess of €20,000 twice in the last two days. Officers from the Divisional Drugs Unit attached to Drogheda station carried out a search in the area last night. "A 19-year-old male from Knightswood, Drogheda, Louth was arrested for an offence contrary to Section 15 of the Misuse of Drugs Act after a warrant was executed at his address and cocaine with an estimated street value of €25,000 was recovered," a garda spokesperson said.

7. CBP SEIZE \$68 MILLION IN DRUGS, COUNTERFEIT SNEAKERS WORTH \$4.3 MILLION IN TEXAS

Link: <https://smcorridornews.com/texas-weekly-border-summary-cbp-seize-68m-in-drugs-counterfeit-sneakers-worth-4-3m/>

Over the last week, Customs and Border Protection (CBP) stationed on the Texas – Mexico border seized \$68M in narcotics that included cocaine, heroin, methamphetamine, and marijuana. Additionally, at the Dallas/Fort Worth port of entry, CBP officers seized a shipment of counterfeit footwear that included 1,800 pairs of limited-edition "Dior X Air Jordan 1" sneakers that retail for \$2K per pair. The entire transfer of shoes was estimated to be worth a whopping \$4.3 million and headed to Mexico.

8. 21 ARRESTED IN \$250K UNEMPLOYMENT FRAUD SCHEME USING CALIFORNIA INMATES' INFORMATION IN U.S.

Link: <https://www.foxbusiness.com/lifestyle/covid-unemployment-fraud-scheme-used-inmate-information>

More than 20 people in California were arrested in connection with an elaborate scheme in which they used the personal information of 30 inmates to file more than \$250,000 worth of bogus unemployment claims, officials said. The San Mateo County Sheriff's Office announced Saturday the discovery of a "large-scale Pandemic Unemployment Assistance fraud ring" run out of San Mateo County's Maguire Correctional Facility and responsible for 16 claims that were filed between June 9 and July 30, the department said in a press release.

9. \$1,15,000 IN COUNTERFEIT PURSES, MAKEUP, SHOES SEIZED AT UPS WORLDPORT IN LOUSVILLE

Link: https://www.wdrb.com/news/115-000-in-counterfeit-purses-makeup-shoes-seized-at-ups-worldport/article_dca48f06-e247-11ea-afb9-f3684c8ebb3f.html

U.S. Customs and Border Protection officers seized dozens of counterfeit items in Louisville, including Tiffany rings, Louis Vuitton purses and Nike shoes. If they were real, they'd be worth \$1,15,000. Officers said they found the counterfeit goods at UPS Worldport. "We work with law enforcement around the globe," said Jim Mayer, public relations manager at UPS. "Our network features extensive security measures designed to stop those who would misuse our services. We don't discuss the specifics of our security program since its success depends on confidentiality."

10. TOBACCO WORTH 5 MILLION EUROS SEIZED AT ILLICIT FACTORY IN SOUTH BUCKS

Link: <https://www.sloughexpress.co.uk/news/south-bucks/160919/tobacco-worth-5million-seized-at-illicit-factory-in-south-bucks.html>

An investigation by HM Revenue and Customs (HMRC) uncovered an illicit tobacco factory in South Bucks. Officers from Thames Valley Police and HMRC descended on a property, near Slough, on Tuesday, August 11 and seized tobacco worth £5 million in evaded duty and VAT. The processing plant, believed to be run by an organized crime gang, had 15 tonnes of processed and unprocessed tobacco inside as well as a substantial amount of tobacco manufacturing and processing machinery. Officers dismantled a tobacco shredding machine which was too big to be removed from the premises and also discovered £3,000 in cash, false tax stamps and counterfeit tobacco packaging.



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