

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO-2479

ANSWERED ON TUESDAY, 17 DECEMBER, 2024/AGRAHAYANA 26, 1946 (SAKA)

BANK FRAUDS IN THE COUNTRY

2479. SHRI A. D. SINGH

Will the Minister of FINANCE be pleased to state:-

- (a) whether the number of bank frauds in the country have increased in the last three years;
- (b) if so, the details thereof, bank-wise for both private and public sector banks;
- (c) whether the number has increased more in private sector banks than the public sector banks, if so, the details thereof and if not, the reasons therefor;
- (d) the total amount of money involved in these frauds, separately for private sector banks and public sector banks; and
- (e) the checks being enforced to restrict the number of bank frauds in the country?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) to (e): As per Reserve bank of India (RBI) data on frauds in respect of amount involved of Rs. 1 lakh and above in each case and based on the date of occurrence, amounts involved in fraud cases in commercial banks and all India financial institutions have declined from Rs. 9,298 crore in FY 2021-22 to Rs. 3,607 crore in FY 2022-23 to Rs. 2,715 crore in FY 2023-24.

Bank-wise and year-wise details of frauds in private sector and public sector banks, in respect of amount involved of Rs. 1 lakh and above in each case and by the date of occurrence, for the last three financial years are at **Annex-1** and **Annex-2** respectively.

Comprehensive steps have been taken to keep a check on the banking frauds and deter fraudsters, which resulted in decline in amount involved in frauds over the years. Further, based on a comprehensive review of the earlier Master Directions, Circulars and emerging issues, RBI, on 15.7.2024 has issued revised Master Directions on Fraud Risk Management in commercial banks and AIFIs. Salient features of the said Master Direction, include, *inter alia* the following:

- (i) Strengthening of the role of the Board in overall governance and oversight of fraud risk management.
- (ii) Emphasis on the need for instituting robust internal audit and controls framework.
- (iii) Framework on Early Warning Signals and Red Flagging of Accounts has been strengthened further for early detection and prevention of frauds and timely reporting to Law Enforcement Agencies and Supervisors.
- (iv) Establishment of dedicated data analytics and market intelligence unit in banks have been mandated for facilitating collection and processing of relevant information to enable an early detection and prevention of potentially fraudulent activities.

Rajya Sabha Unstarred question no. 2479, regarding Bank Frauds in the Country

Frauds in Private Sector banks

(Amounts in crore Rs.)

Bank	FY 2021-22		FY 2022-23		FY 2023-24	
	Number	Amount Involved	Number	Amount Involved	Number	Amount Involved
Axis Bank Limited	817	172.58	1,988	141.12	4,521	324.19
Bandhan Bank Limited	173	15.74	232	16.35	606	26.14
City Union Bank Limited	8	20.48	49	38.47	258	12.67
CSB Bank Limited	58	2.19	171	9.47	160	17.62
DCB Bank Limited	5	0.46	12	1.49	145	12.41
Federal Bank Limited	74	69.81	203	31.45	844	64.36
HDFC Bank Limited	582	230.55	2,870	464.39	5,477	624.41
ICICI Bank Limited	1,336	250.90	1912	188.67	6,588	322.61
IDBI Bank Limited	134	386.90	139	33.26	111	14.71
IDFC First Bank Limited	47	4.85	145	7.76	209	10.70
IndusInd Bank Limited	1,376	60.92	1,611	61.88	2085	61.42
Jammu and Kashmir Bank Limited	11	14.23	13	298.09	8	8.10
Karnataka Bank Limited	23	110.20	29	61.75	40	1.88
Karur Vysya Bank Limited	25	270.07	33	119.52	125	38.58
Kotak Mahindra Bank Limited	923	94.74	706	36.03	874	40.50
Nainital Bank Limited	5	0.29	2	0.52	6	2.03
RBL Bank Limited	152	4.84	891	22.33	1146	33.45
South Indian Bank Limited	50	51.79	63	40.87	130	42.20
Tamilnad Mercantile Bank Limited	51	31.55	41	7.02	17	23.90
The Dhanalakshmi Bank Limited	4	1.51	7	0.96	44	4.24
Yes Bank Limited	83	12.13	195	24.16	297	20.82

Source: RBI

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Frauds in Public Sector banks

(Amounts in crore Rs.)

Bank	FY 2021-22		FY 2022-23		FY 2023-24	
	Number	Amount Involved	Number	Amount Involved	Number	Amount Involved
Bank of Baroda	124	707.47	270	484.19	1342	80.39
Bank of India	122	50.01	122	29.33	105	20.49
Bank of Maharashtra	41	28.70	43	13.45	100	30.97
Canara Bank	83	369.25	83	130.96	26	37.39
Central Bank of India	173	34.37	192	32.90	333	37.32
Indian Bank	104	1917.83	281	68.17	408	20.45
Indian Overseas Bank	38	102.61	101	36.27	420	10.03
Punjab And Sind Bank	31	6.41	26	61.67	26	2.71
Punjab National Bank	116	2449.14	100	462.07	364	89.80
State Bank of India	1,035	480.39	1,739	318.28	2478	223.92
UCO Bank	100	1094.49	69	21.72	30	61.23
Union Bank of India	126	237.93	269	156.21	170	224.93

Source: RBI
