

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO-45

ANSWERED ON MONDAY, NOVEMBER 25, 2024/AGRAHAYANA 4, 1946 (SAKA)

CASES OF FINANCIAL FRAUD

45. PROF. SOUGATA RAY

Will the Minister of FINANCE be pleased to state:-

- (a) whether the Government has taken note of a large number of cases of financial frauds reported in the country;
- (b) if so, the details of such reported cases during the last three years, State-wise; and
- (c) whether the Government has any proposal to bring new rules to curb financial frauds in the country and if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) to (c): 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.

State-wise details of number of cases of frauds and amount involved in these frauds for the last three financial years are at **Annex**.

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.

Lok Sabha Unstarred question no. 45, regarding Cases of Financial Fraud

Details of frauds in Commercial Banks and AIFIs, in respect of amount involved of Rs. 1 lakh and above in each case, based on the date of occurrence

Amount in crore Rs.

FY	2021-22		2022-23		2023-24	
	State/UT	Number	Amount Involved	Number	Amount Involved	Number
Andaman and Nicobar Islands	--	--	2	0.02	6	0.17
Andhra Pradesh	186	183.96	336	458.61	588	140.87
Arunachal Pradesh	3	1.57	1	0.05	13	0.47
Assam	68	11.11	113	14.99	291	15.44
Bihar	247	51.95	269	28.59	591	25.85
Chandigarh	83	34.98	72	70.88	94	4.48
Chhattisgarh	85	34.67	157	76.30	204	12.12
Dadra and Nagar Haveli and Daman and Diu	5	0.11	8	0.54	17	0.48
Goa	40	3.37	34	6.98	61	2.83
Gujarat	401	160.52	624	188.26	1,575	107.51
Haryana	554	92.91	813	138.60	1,239	83.64
Himachal Pradesh	33	4.77	52	6.15	117	4.19
Jammu and Kashmir	45	19.04	49	28.51	84	8.77
Jharkhand	116	35.57	125	10.77	240	12.84
Karnataka	435	119.60	987	246.07	1,499	243.43
Kerala	166	103.40	373	54.42	1,256	200.61
Ladakh	3	0.57	--	--	2	0.02
Lakshadweep	--	--	--	--	1	0.15
Madhya Pradesh	291	50.14	467	41.36	709	53.20
Maharashtra	2,233	1,257.66	3,882	441.45	7,586	391.78
Manipur	2	4.13	5	0.97	12	2.26
Meghalaya	6	0.12	5	1.11	11	0.78
Mizoram	1	0.85	--	--	2	0.93
Nagaland	7	8.88	6	4.19	8	0.19
NCT of Delhi	715	2,630.77	1,743	762.26	2,370	141.63
Odisha	238	75.59	568	36.74	449	28.64
Puducherry	5	0.33	11	1.33	21	0.91
Punjab	329	214.03	353	58.08	646	149.34
Rajasthan	324	114.06	456	51.74	1,423	88.73
Sikkim	--	--	10	0.64	18	0.55
Tamil Nadu	577	252.36	3,192	418.27	6,468	663.63
Telangana	257	265.14	513	111.48	1,009	98.76
Tripura	11	0.76	29	2.79	34	1.73
Uttar Pradesh	708	169.31	977	177.62	1,723	100.00
Uttarakhand	41	5.13	65	7.61	175	10.93
West Bengal	537	3,391.04	920	159.85	1,821	116.78

Source: RBI
