

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
LOK SABHA

**UNSTARRED QUESTION NO. 150**  
TO BE ANSWERED ON THE 2<sup>ND</sup> February 2018/ Magha 13, 1939 (SAKA)  
**Fraud Cases in Banks**

**150. SHRIMATI SUPRIYASULE:  
SHRI MOHITE PATIL VIJAYSINHSHANKARRAO:  
SHRI P.R. SUNDARAM:  
SHRI DHANANJAYMAHADIK:  
DR. J. JAYAVARDHAN:  
SHRI SATAVRAJEEV:  
DR. HEENA VIJAYKUMARGAVIT:**

Will the Minister of FINANCE be pleased to state:

- (a) the details of Public Sector Banks (PSBs) earning profit/incurred losses during each of the last three years, bank and State/UT-wise;
- (b) whether loss incurred by PSBs is due to increase in the incidents of frauds in the said banks;
- (c) if so, the details thereof along with the number of fraud cases detected and the action taken against the officials/banks during the said period, bank and State-wise;
- (d) whether the Government has developed any mechanism to detect fraud in banks before it is reported by the customers of the banks, if so, the details thereof;
- (e) whether the number of fraud cases involving bank officials is very less in private banks compared to PSBs, if so, the details thereof and the reasons therefor; and
- (f) the effective measures taken/being taken by the Government to stop frauds in banks?

**ANSWER**

The Minister of State in the Ministry of Finance  
(SHRISHIV PRATAPSHUKLA)

(a) to (c): The details of Public Sector Banks (PSBs) earning profit / incurring losses during each of the last three years, and the number of fraud cases, as furnished by the Reserve Bank of India (RBI), are at Annexure-I. The bank-wise details of action taken against delinquent employees during January 2015 to March 2017, as furnished by RBI, are at Annexure-II. RBI has apprised that these details are not maintained State/UT-wise. Losses incurred by PSBs are primarily because of provisioning on account of high Non-Performing Assets (NPAs).

(d): RBI has issued directions to banks on frauds classification and reporting covering all aspects/ details regarding reporting of frauds.

(e): The number of fraud cases in private sector banks *vis-a-vis* PSBs over the last three years as furnished by RBI is at Annexure-III. However, keeping in view that PSBs have about 70% market share, the incidence of such frauds in private sector banks is higher than in PSBs.

(f): RBI has taken many steps to monitor and prevent fraud, such as new framework for dealing with loan frauds and Red Flagged Accounts, launch of Central Fraud Registry in January 2016, issuance of guidelines to prevent skimming of ATM/Debit/Credit Cards, and legal audit of title documents in respect of large value loan accounts.

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## Annexure-I]

Lok Sabha USQ No. 150 for 2.2.2018, regarding "Fraud Cases in Banks"

Bank-wise Data on Frauds reported during FY 2014-15 to FY 2016-17

Amount in crore Rs.

Bank Name	2014-15		2015-16		2017-18	
	Net Profit/ Loss	Number of fraud cases	Net Profit/ Loss	Number of fraud cases	Net Profit/ Loss	Number of fraud cases
Allahabad Bank	621	47	-743	23	-314	60
Andhra Bank	638	52	540	44	174	64
Bank of Baroda	3,398	303	-5,396	255	1,383	224
Bank of India	2,564	131	-6,089	156	-1,558	162
Bank of Maharashtra	451	50	101	45	-1,373	75
Canara Bank	6,950	114	-2,813	94	1,122	119
Central Bank of India	606	214	-1,418	167	-2,439	146
Corporation Bank	584	73	-506	135	561	83
Dena Bank	265	41	-935	21	-864	43
IDBI Bank Limited	873	56	-3,665	129	-5,158	107
Indian Bank	1,005	95	711	87	1,406	79
Indian Overseas Bank	-454	138	-2,897	109	-3,417	95
Oriental Bank of Commerce	497	127	156	114	-1,094	56
Punjab & Sind Bank	121	30	336	12	201	16
Punjab National Bank	3,062	180	-3,974	131	1,325	160
UCO Bank	1,138	87	-2,799	85	-1,851	59
Union Bank of India	1,782	111	1,352	146	555	111
United Bank of India	256	128	-282	67	220	30
Syndicate Bank	4,936	208	-1,643	178	359	166
State Bank of India	15,970	893	11,589	770	-1,383	803
Vijaya Bank	447	35	382	21	750	58

## Annexure-II

**Lok Sabha USQ No. 150 for 2.2.2018, regarding "Fraud cases in Banks"**  
**Statement showing action taken by Public Sector Banks against delinquent employees**  
**for their involvement in cases of frauds and corrupt practices**

Sl. No.	Bank	2015 (Jan- Dec)	2016 (Jan- Dec)	2017 (Jan- Mar)
1	State Bank of India	888	547	103
2	State Bank of Hyderabad	67	78	48
3	State Bank of Mysore	36	17	4
4	State Bank of Patiala	26	38	4
5	State Bank of Travancore	98	129	45
6	State Bank of Bikaner & Jaipur	11	12	5
7	Bank of Baroda	21	39	9
8	Allahabad Bank	121	76	7
9	Bank of India	19	20	0
10	Bank of Maharashtra	0	33	9
11	Canara Bank	28	39	4
12	Dena Bank	85	39	9
13	Indian Bank	15	34	7
14	Indian Overseas Bank	245	160	44
15	Central Bank of India	248	130	28
16	Union Bank of India	125	72	17
17	Punjab National Bank	115	58	11
18	United Bank of India	73	42	26
19	UCO Bank	78	53	7
20	Syndicate Bank	92	105	0
21	Andhra Bank	119	84	16
22	Corporation Bank	10	28	9
23	Oriental Bank of Commerce	77	74	27
24	Punjab & Sind Bank	43	27	3
25	Vijaya Bank	10	4	0
26	Bharatiya Mahila Bank Ltd.	0	0	0
27	IDBI Bank Limited	98	56	16
I	<b>Total</b>	<b>2,748</b>	<b>1,994</b>	<b>458</b>

**Note:** Action taken includes employees convicted, awarded major/ minor penalties including dismissed/ discharged/ removed from service.

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□	2014-15 to 2016-17	
	Number of Frauds	Frauds where staff involved
Public Sector Banks	8,622	1,146
Private Sector Banks	4,156	568