

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
RAJYA SABHA
UNSTARRED QUESTION NO-1476
ANSWERED ON- 15/03/2022

BANK SCAMS IN INDIA

1476. SHRI KUMAR KETKAR

Will the Minister of FINANCE be pleased to state:-

- (a) whether it is a fact that over Rupees one lakh crore bank frauds took place in India in the last seven years;
- (b) if not, how much amount is involved in these frauds;
- (c) the details of bank frauds that took place in India, State-wise, year-wise, amount of fraud in each State and the steps taken to recover the amount; and
- (d) how much amount has been recovered from each bank fraud?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) to (d): The Reserve Bank of India (RBI) has issued Master Directions on Frauds in 2016, and Government has instituted wide-ranging structural and procedural reforms to check frauds in banks. Such systematic and comprehensive checking for frauds, including of the legacy stock of non-performing assets (NPAs), led to unearthing of frauds perpetuated over the years. The improved detection and reporting accompanied with the comprehensive steps taken to check frauds have resulted in sharp decline in the occurrence of such frauds, from Rs. 68,962 crore in the financial year (FY) 2015-16 to Rs. 11,583 crore in FY2020-21, and to Rs. 648 crore during the first nine months of the current financial year. As per RBI data, aggregate amount involved in frauds in scheduled commercial banks (SCBs), based on year of occurrence, during last six financial year and first nine months of the current financial year is Rs.2,62,575 crore. State-wise details of amount involved in frauds in SCBs, based on the year of occurrence, during 1.4.2015 to 31.12.2021 are at Annex.

Various action are taken by the banks for recovery of fraud amount, which include, *inter-alia*, the following:

- (i) Filing of complaints with law enforcement agencies, viz. State police, Serious Fraud Investigation Office (SFIO) and Central Bureau of Investigation (CBI).
- (ii) Action under the Fugitive Economic Offenders Act, 2018, which provides for attachment of property of a fugitive economic offender, confiscation and disentitlement of the offender from defending any civil claim.
- (iii) Issuance of look-out circulars against fraudsters.

- (iv) In addition to above, in case of loan frauds, banks initiate various recovery actions, including filing of suits in civil court or in the Debt Recovery Tribunals (DRTs), initiation of action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI), filing of application under Corporate Insolvency Resolution Process (CIRP) in National Company Law Tribunal (NCLT), etc.

With regard to recovery in fraud accounts, as per inputs received from public sector banks, they have recovered an aggregate amount of Rs 55,895 crore, over the last six financial years and current financial year up to 31.12.2021.

Further, as per the RBI data, during the last six financial years and the first six months of the current financial year, scheduled commercial banks have effected an aggregate recovery of Rs.7,34,542 crore, in non-performing assets and written-off loan accounts, including those reported as fraud.

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State- and Union Territory-wise details of amount involved in fraud,
based on the date of occurrence

(Amounts in Rs. crore)

States	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 (up to 9 months)
Andaman & Nicobar Islands	--	0.28	0.09	0.09	0.03	0.02	--
Andhra Pradesh	495.64	120.03	737.18	351.40	446.32	201.15	22.00
Arunachal Pradesh	--	4.11	0.67	0.82	2.37	0.02	0.01
Assam	12.96	17.73	13.29	16.99	8.28	3.48	0.94
Bihar	171.95	17.26	86.82	24.62	15.64	55.33	25.95
Chandigarh	1,003.98	3,250.80	305.03	69.58	20.02	21.62	0.73
Chhattisgarh	33.84	80.11	18.78	107.14	37.23	17.21	15.89
Dadra And Nagar Haveli & Daman And Diu	--	0.07	0.01	0.07	0.09	0.23	0.15
Goa	1.16	2.10	1.02	6.33	0.79	1.88	0.78
Gujarat	1,389.12	3,116.78	2,618.20	2,088.02	1,191.34	834.72	18.35
Haryana	995.09	1,057.11	511.05	272.55	170.40	161.67	15.38
Himachal Pradesh	1.69	4.69	10.88	26.78	4.49	7.20	0.63
Jammu & Kashmir	10.86	33.76	1.97	10.48	2.30	0.71	1.14
Jharkhand	20.72	34.73	111.05	32.42	18.96	5.37	5.60
Karnataka	751.64	1,215.22	1,307.56	945.31	582.07	138.19	14.61
Kerala	315.80	77.45	123.40	81.93	45.10	24.87	59.77
Ladakh	2.41	--	--	0.05	0.02	0.02	0.56
Madhya Pradesh	3241.05	664.83	587.55	281.19	94.81	34.86	5.30
Maharashtra	35,310.73	32,062.65	19,798.78	13,717.90	17,691.71	6,806.59	124.16
Manipur	3.63	0.49	0.53	1.48	0.21	0.04	0.03
Meghalaya	0.09	0.14	0.37	0.13	0.12	0.06	0.07
Mizoram	1.57	9.43	0.03	5.10	0.91	0.26	0.01
Nagaland	0.97	0.35	1.76	0.03	2.82	0.03	4.18
New Delhi	12,674.56	10,163.50	7,219.67	15,000.58	4,349.87	1,530.22	93.07
Odisha	34.94	60.20	84.81	134.83	20.24	84.59	7.38
Puducherry	0.18	2.62	0.24	0.56	0.30	0.12	0.02
Punjab	1,002.15	1,324.88	556.83	377.54	393.02	61.10	40.47
Rajasthan	77.74	44.59	174.46	107.01	296.68	17.74	6.80
Sikkim	0.21	0.25	0.91	0.55	0.84	0.17	0.01
Tamil Nadu	2,889.08	1,152.31	1,218.10	1,419.36	728.41	241.59	47.08
Telangana	4145.73	2,744.23	2,735.07	2,709.14	795.67	301.94	88.60
Tripura	18.09	4.41	0.18	3.02	1.21	2.02	0.03
Uttar Pradesh	1,063.64	2,187.09	839.90	3,001.18	318.18	50.01	35.59
Uttarakhand	4.21	8.22	5.04	5.19	5.85	3.09	0.67
West Bengal	2,085.10	504.02	1817.97	2,461.87	452.08	91.83	11.96

Source: RBI