

Frauds - Classification and Reporting

DBS. No. FGV(F).BC. 1 /23.04.001/2001-2002

August 13, 2001
Shravana 22, 1923 [S]

The Chief Executives of all
commercial banks (excluding RRBs)

Dear Sir,

FRAUDS - CLASSIFICATION AND REPORTING **[updated as on August 13, 2001]**

As you are aware, Reserve Bank of India has, from time to time, issued a number of guidelines/instructions/directives to banks in regard to matters relating to classification and reporting of frauds, dacoities, robberies etc. To enable the banks to have current instructions at one place, a Master Circular incorporating all the existing guidelines/instructions/directives on the subject has been prepared and furnished to you under cover of our letter DBS.No.FGV(F).BC.10 / 23.04.001 /2000-2001 dated March 22, 2001. This Master Circular consolidates and supersedes all the previous instructions issued by Reserve Bank of India on the subject. There are no amendments to the instructions issued therein.

Yours faithfully,

(M.Chellikutty)
General Manager

Contents

1. Introduction
2. Timely Detection and Reporting
3. Classification of Frauds
4. Reporting of Frauds
 - 4.1 Reporting of Actual or Suspected Frauds
 - 4.1.1 Frauds Involving Amounts up to Rs. 1 Lakh
 - 4.1.2 Frauds Involving Amounts in Excess of Rs. 1 Lakh
 - 4.1.3 Frauds Involving Amounts of Rs. 5 Lakh and Above
 - 4.1.4 Frauds Committed by Unscrupulous Borrowers
 - 4.1.5 Frauds Relating to Negotiable Instruments

- 4.1.6 Cases of Attempted Frauds
 - 5. Statistics on Frauds
 - 5.1 General
 - 5.2 Quarterly/Half-Yearly Statements
 - 5.2.1 Statements
 - 5.2.2 Instructions for Compilation/Submission
 - 5.2.3 Report to the Board of Directors
 - 5.2.4 Submission to RBI
 - 5.3 Quarterly Report on Actual or Suspected Frauds up to Rs. 1 Lakh Each
 - 5.4 Quarterly Report on Frauds Involving Rs. 100 Lakh and Above
 - 5.5 Reporting Cases of Outstanding Frauds
 - 6. Annual Review of Frauds
 - 7. Entrustment of Cases for CBI/Police Investigations/Departmental Enquiries
 - 7.1 Guidelines for Reporting Frauds to Police/CBI
 - 7.2 Report on Cases Entrusted to CBI by Public Sector Banks
 - 8. Reporting Cases of Theft, Burglary, Dacoity and Bank Robberies
 - 8.1 Report on Bank Robberies, Dacoities, Thefts or Burglaries
 - 8.2 Quarterly Reports
- Annexures
Appendix

1. INTRODUCTION

1.1 Increasing incidence of frauds, corruption and dacoities/robberies in banks is a matter of concern. Frauds perpetrated in banks show an increasing trend mainly on account of non-adherence/improper implementation of various guidelines.

1.2 The primary responsibility for preventing frauds is that of bank managements. Reserve Bank of India, on its part, has been advising banks from time to time about the major fraud prone areas and the safeguards necessary for their prevention. Various guidelines/ instructions issued from time to time were also compiled in a Compendium of Instructions up to December 1995 and supplied to banks along with circular No.DOS.317/23.11.001/96 dated 9 September 1996.

1.3 Reserve Bank of India has also been circulating to banks details of frauds of ingenious nature which come to its notice so that individual banks could introduce necessary safeguards by means of appropriate procedures and internal checks having regard to the modus operandi of the frauds.

1.4 For the purpose, it is very important that Reserve Bank of India receives full information about the incidence of frauds and the action taken by the banks to prevent them.

1.5 In order to enable both the Government of India and Reserve Bank of India to have required information on frauds, suitable reporting system has been introduced which is detailed hereunder.

2. TIMELY DETECTION AND REPORTING

2.1 It has been observed that very often frauds are detected in banks only long after their perpetration, thus allowing the fraud to continue for a long time. The Estimates Committee of Parliament also has observed that in spite of the existence of various control systems and arrangements to supervise the working of branches of banks through internal and external inspections/audits, vigilance machinery, etc., a number of frauds perpetrated are not detected during the course of inspection/audit.

2.2 It is also observed that in some cases, the fraud reports are submitted to Reserve Bank of India with considerable delay and many a time without adequate information. The reasons for delay in detection and in reporting are also not clearly stated in the fraud reports. On certain occasions, Reserve Bank of India comes to know about frauds involving large amounts only through press reports. This happens due to non-reporting of frauds by banks immediately on their detection.

2.3 Banks must examine the reasons for delay in reporting of frauds to Reserve Bank of India and ensure that the reporting system is suitably streamlined so that frauds are reported without any delay.

Banks must fix staff accountability in respect of delays in reporting of frauds to Reserve Bank of India.

3. CLASSIFICATION OF FRAUDS

3.1 In order to have uniformity in reporting cases of frauds, the question of classification of bank frauds on the basis of the provisions of the Indian Penal Code has been considered and frauds have been classified as under:

- (i) Misappropriation and criminal breach of trust.
- (ii) Fraudulent encashment through forged instruments, manipulation of books of account or through fictitious accounts and conversion of property.
- (iii) Unauthorised credit facilities extended for reward or for illegal gratification.
- (iv) Negligence and cash shortages.
- (v) Cheating and forgery.
- (vi) Irregularities in foreign exchange transactions.
- (vii) Any other type of fraud not coming under the specific heads as above.

3.2 Cases of 'negligence and cash shortages' referred to in item (iv) above are to be reported as frauds if the intention to cheat/defraud is suspected/proved.

3.3 Cases of theft and burglary should not be reported as frauds. All cases of theft, burglary, dacoity and robbery may be reported separately as detailed in paragraph 8.

4. REPORTING OF FRAUDS

4.1 Reporting of actual or suspected frauds

4.1.1 Frauds involving amounts up to Rs. 1 lakh

- (i) The cases of individual frauds involving amounts up to Rs. 1 lakh each are not to be reported individually as and when such frauds come to banks' notice.
- (ii) Banks should report such frauds in a consolidated form category-wise on a quarterly basis as detailed in paragraph 5.3.

4.1.2 Frauds involving amounts in excess of Rs. 1 lakh

(i) To enable Reserve Bank of India to have immediate information on all actual or suspected frauds in excess of Rs. 1 lakh each, banks should report to Reserve Bank of India full details of frauds, as soon as such frauds come to their notice but within three weeks of detection, in the format given in Annexure 1 (in duplicate) as under:

Report in duplicate to be submitted to the Department of Banking Supervision (DBS) at the respective Regional Office of the RBI under whose jurisdiction the Head Office of the bank falls.

A copy of the fraud report should also be submitted to the Regional Office of RBI in whose area the branch of the bank at which the fraud is perpetrated, is functioning.

(ii) Report to the Board

- (a) Banks should ensure that all major frauds involving Rs. 1 lakh and above are reported to their Board of Directors promptly on their detection.
- (b) While examining such cases, it is absolutely essential to take note of the failure on the part of the concerned branch officials, as well as controlling authorities, and initiate appropriate action against the officials responsible for causing the fraud or loss.
- (c) A copy of the note put up to the Board may also be sent promptly to the Chief General Manager, Department of Banking Supervision, Reserve Bank of India, Central Office, World Trade Centre, Mumbai – 400 005.

(iii) Clarifications for reporting of actual/ suspected frauds

- (a) The report should include instances where banks have been put to loss through misrepresentation, breach of trust, manipulation of books of account, fraudulent encashment of instruments like cheques, drafts and

bills of exchange, unauthorised handling of securities charged to the bank, misfeasance, embezzlement, misappropriation of funds, conversion of property, cheating, shortages, irregularities, etc.

- (b) Cases of attempted frauds need not be reported to Reserve Bank of India in the above format but may be done by way of a letter (para 4.1.6).
- (c) Banks should ensure that in the fraud reports, 'brief history/ modus operandi' is presented concisely avoiding vague and generalised terms.
- (d) Frauds perpetrated on subsidiaries and affiliates/joint ventures functioning both in India and abroad may be treated by banks incorporated in India on par with those of their branches and may be reported in the above prescribed format as and when detected.
- (e) Public sector banks having overseas branches/offices should report all frauds perpetrated at their overseas branches to the Regional Office of Reserve Bank of India under whose jurisdiction the Head Office of the bank falls.

4.1.3 Frauds Involving amounts of Rs. 5 lakh and above

- (i) Banks should report to Reserve Bank of India by means of a D.O. letter addressed to the Chief General Manager in-charge of Department of Banking Supervision, Reserve Bank of India, Central Office, all cases of frauds involving Rs. 5 lakh and above within a week or / after such frauds coming to the notice of the bank's Head Office.
- (ii) For this purpose, banks may issue suitable instructions to their controlling offices and branches to furnish the requisite information relating to the frauds to the controlling/Head Office immediately on detection.
- (iii) The above D.O. letter may contain brief particulars such as the names of parties involved (if they are proprietorship/ partnership concerns or private limited companies, the names of proprietors, partners and directors), amount involved, nature of fraud, the modus operandi in a nutshell, name of the branch/office where fraud was committed, whether complaint with the Police/CBI has been lodged and names of the officials involved.
- (iv) Further, information in the prescribed format (in duplicate) as detailed in paragraph 4.1.2 (i) above may be furnished after obtaining full details to the concerned Regional Offices of Reserve Bank of India under whose jurisdiction the bank and the branch fall within three weeks from the date of detection of the fraud with a copy to the Central Office of the Department of Banking Supervision.

4.1.4 Frauds committed by unscrupulous borrowers

(i) It is observed that a large number of cases of frauds in banks are being committed by unscrupulous borrowers including companies, partnership firms/ proprietary concerns and/or their directors or partners by means of

(a) Fraudulent discount of instruments or kite-flying in clearing effects.

(b) Fraudulent removal of pledged stocks/ disposing hypothecated stocks without the knowledge of the bank resulting in the accounts becoming unsecured/inflating the value of stocks in the stock statements and drawing excess bank finance.

(c) Diversion of funds outside the borrowing unit, lack of interest or criminal neglect on the part of the borrowers, their partners, etc., and also due to managerial failure leading to the unit becoming sick and due to laxity in effective supervision over the operations in the borrowal accounts on the part of the bank functionaries rendering the advances difficult of recovery.

(ii) Banks should send to Reserve Bank of India full facts of the cases involving an amount of Rs. 5 lakh and above where they have suffered financial losses in the above manner. The report in the prescribed format in Annexure 2 must be submitted to the Department of Banking Supervision, Central Office, within three weeks of detection of the fraud.

(iii) The report should indicate, *inter alia*, the names of parties involved (if they are proprietorship/ partnership concerns or private limited companies, the names of proprietors, partners and directors), amount involved, nature of fraud and the modus operandi in a nut-shell, name of the branch/office where fraud was committed, whether complaint with the Police/CBI has been lodged and names of officials involved.

(iv) A copy of the note put up to the Board in respect of all cases of frauds involving Rs. 5 lakh and above may also be sent to the Central Office of the Department of Banking Supervision promptly by means of a D.O. letter.

(v) Banks should specifically nominate an official of the rank of General Manager, who will be responsible for reporting all such cases to Reserve Bank of India. It is suggested that the Chief Vigilance Officer should be made responsible to ensure prompt submission of reports on cases of frauds in the prescribed manner.

(vi) In cases of frauds where criminal complaints or reports are filed with CBI/Police, the copies of such criminal complaints should be sent to Reserve Bank of India along with the fraud reports.

4.1.5 Frauds relating to Negotiable Instruments

- (i) In order to have uniformity in the matter of accounting of frauds relating to negotiable instruments, such cases should be reported by paying banker to the concerned Regional Office of the Reserve Bank of India as soon as the fraud comes to its notice.
- (ii) Such fraud reports submitted by the paying banker will be taken by Reserve Bank of India purely for statistical purposes. This procedure will have no bearing on the dispute between the paying banker and the collecting banker.
- (iii) The collecting banker should also report such fraud cases in the prescribed format to the concerned Regional Office of Reserve Bank of India to enable them to follow up the cases with regard to the lapses/ staff accountability aspects. However, they should not include the figures of such cases in statistical statements detailed in paragraph 5.2.

4.1.6 Cases of attempted frauds

- (i) Cases of attempted frauds may be advised to Reserve Bank of India, Department of Banking Supervision, Central Office, by way of a letter indicating the modus operandi and how the fraud was detected.
- (ii) These cases of attempted frauds should not be included in the
 - (a) report on actual or suspected fraud submitted vide paragraph 4.1.2 (i) above, and
 - (b) quarterly/half-yearly reports on frauds detailed in paragraph 5 below.

5. STATISTICS ON FRAUDS 5.1 General

5.1.1 To enable both Reserve Bank of India and the Government of India to have full information about the incidence of frauds and the action taken by banks to prevent them, banks should arrange to furnish to Reserve Bank of India statements regarding fraud/ corruption cases as detailed below:

5.2 Quarterly/Half-yearly Statements

5.2.1 Statements

(i) **Statement I** (Annexure 3)

Consolidated information regarding the number of cases of frauds reported to Reserve Bank of India during each calendar quarter, amount involved in these cases and action taken by the bank.

(ii) **Supplementary information with Statement I**

A break-up of the number of frauds and the amount involved, under various categories as indicated in sub-items (i) to (vii) of item 5 of Annexure 1 may be furnished as supplementary information along with Statement I for the quarter.

(iii) **Statement 1A** (Annexure 4)

Detailed information regarding the list of cases of frauds reported to Reserve Bank of India during the calendar quarter.

(iv) **Statement II** (Annexure 5)

Information relating to cases of frauds reported to Reserve Bank of India for the half-years ended June and December.

(v) **Statement III** (Annexure 6)

Quarterly information on vigilance cases to be submitted only by Public Sector Banks.

5.2.2 Instructions for compilation/submission

(i) Banks should follow the undernoted instructions in regard to compilation/submission of the above referred statements:

(a) Cases of attempted frauds need not be included in these statements.

(b) Collecting bankers should not include the figures of frauds relating to negotiable instruments in these statements.

(c) Paying bankers should take into statistics, frauds relating to negotiable instruments.

(d) Statement Nos. I and IA relate to cases of frauds reported to Regional Offices of the Reserve Bank of India during the quarter and the action taken by the banks like reporting to the CBI/Local Police Authorities and taking up of investigation by the banks themselves. These statements are required to be submitted to the Central Office of the Department of Banking Supervision by the end of the month following the quarter to which they relate.

(e) Statement No. II, which is in four parts, viz., A, B, C & D will relate to half-years ending June and December each year and is to be submitted to the Central Office of the Department of Banking Supervision.

(f) It is clarified that Statements I, IA and II should indicate all cases of frauds whether involving an amount above Rs. 1 lakh or up to Rs. 1 lakh which are reported during a quarter/half-year.

However, total number and amount of frauds up to Rs. 1 lakh are to be included in these statements in consolidated form only. The actual or suspected frauds up to Rs. 1 lakh in individual cases should be consolidated category-wise in item 5 of the Proforma.

(g) Statement No. III will come under 'Vigilance Cases' and is required to be submitted only by public sector banks. The Vigilance Department in each public sector bank is submitting to Central Vigilance Commission a quarterly statistical statement. The information on the same lines may be furnished to Reserve Bank of India in a classified manner as under, on a quarterly basis:

1. Cases relating to
 - Frauds
 - Bribery and other corrupt practices
 - Others (specify the nature)
2. Cases relating to
 - Officers
 - Other than officers

5.2.3 Report to the Board of Directors

(i) Information relating to frauds, etc. should be placed before the Board of Directors/Executive Committee/ Local Advisory Board at fixed periodical intervals, giving all relevant information in this regard.

(ii) Information relating to the quarters/half-years ending March, June, September, December, as the case may be, may be placed before the meeting of the Board of Directors/Executive Committee/ Local Advisory Board to be held in April, July, October of that year, and January of the following year, respectively, irrespective of whether or not these are required to be placed before the Board/Management Committee in terms of Calendar of Reviews.

(iii) These should be accompanied by the supplementary material analysing statistical information and details of each fraud so that the Board/Committee/ Local Advisory Board would have adequate material to contribute effectively in regard to the punitive or preventive aspects of frauds.

5.2.4 Submission to RBI

(i) The above referred statements, etc., may be sent to Reserve Bank of India as soon as possible, but, in any case, not later than 15 days from the end of the month during which they were placed before the Board/ Committee.

(ii) These statements may be submitted to Central Office of Department of Banking Supervision directly, and a copy thereof may be simultaneously sent to the Regional Office concerned to which the bank is reporting individual cases of frauds. While submitting detailed notes to the Board/Committee/Local Advisory Board, the points mentioned in paragraph 4.1.2 (ii) above may be kept in view.

(iii) The statements to be sent to Central Office of the Department of Banking Supervision may be sent in a cover marked 'SECRET'. Copies of the statements may similarly be sent to the Regional Offices concerned of the Department of Banking Supervision in a cover marked 'SECRET'.

5.3 Quarterly report on actual or suspected frauds up to Rs. 1 lakh each

5.3.1 Banks should report on a quarterly basis, cases of frauds up to Rs. 1 lakh each in a consolidated form category-wise as detailed in paragraph 3.1 and mentioned in item 5 of Annexure 1.

5.3.2 The cases of cash shortages up to Rs. 1,000/- reported on the same day by the persons handling the cash and where there is no suspicion of frauds, need not be reported to Reserve Bank of India as frauds. However, cases of cash shortages involving more than Rs. 1,000/- and those detected by the management/ inspecting officer, irrespective of the amount may be reported to Reserve Bank of India as frauds.

5.4 Quarterly report on frauds involving Rs. 100 lakh and above

5.4.1 Individual frauds involving an amount of Rs. 100 lakh and above are monitored by Reserve Bank of India and further developments in all such cases of frauds as reported by the banks are furnished to the Government of India on quarterly basis.

5.4.2 Banks should arrange to furnish a detailed report in the prescribed format given in Annexure 7 on cases of frauds involving an amount of Rs. 100 lakh and above so as to reach the Central Office of the Department of Banking Supervision by the 10th of the month following the quarter to which it relates.

5.4.3 In case of no development subsequent to the previous report, a nil statement should be furnished to Reserve Bank of India.

5.5 Reporting cases of outstanding frauds

5.5.1 To enable the Reserve Bank of India to apprise Government/ Parliament on all outstanding number of cases of frauds and amount outstanding therein from time to time, banks should report full details on a quarterly basis as per the proforma given in Annexure 8 (in duplicate) to the respective Regional Office of Reserve Bank of India under whose jurisdiction the Head Office of the bank is functioning.

5.5.2 The information should include the position of all outstanding frauds, i.e., number and amount with a broad classification as indicated in the proforma.

5.5.3 The report on outstanding frauds should indicate State-wise data.

6. ANNUAL REVIEW OF FRAUDS

6.1 The trend observed in a number of frauds in various banks, calls for effective action for their prevention. The initial step needed therefor is to make a detailed study of the frauds that have already taken place with a view to finding out the gaps in the systems and procedures or the defects in following them and initiating prompt necessary action to plug the loopholes.

6.2 A periodical review of all the frauds that have been perpetrated in the banks, say once a year, will also be helpful for initiating adequate measures for prevention of frauds.

6.3 The main aspects which may be taken into account while making such a review may include the following:

- (i) Whether the system in the bank is adequate to detect frauds, once they have taken place, within the shortest possible time.
- (ii) Whether frauds are examined from staff angle and wherever necessary, the cases are reported to Vigilance Cell for further action in the case of public sector banks.
- (iii) Whether deterrent punishment is meted out wherever warranted to the persons found responsible.
- (iv) Whether frauds have taken place because of the laxity in following the systems and procedures and, if so, whether effective action has been taken to ensure that the systems and procedures are scrupulously followed by the staff concerned.
- (v) Whether frauds are reported to local Police or CBI, as the case may be, for investigation, as per the guidelines issued to public sector banks by Government of India in this regard.

6.4 Banks should arrange to conduct a review of the frauds that have taken place in their banks on an annual basis (calendar year) and place a Note on the review before the Board for information.

Reviews for the year ended December may be put up to the Board before 31st March of the following year.

6.5 In order to judge the efficacy of the systems and procedures adopted by banks to combat frauds and also with a view to making the review of frauds more meaningful, banks should ensure that the following details are also incorporated in the annual review. Specific efforts made by the bank to reduce/minimise incidence of frauds may also be indicated:

- (i) The total number of frauds and total amount detected/reported during the year and the amount outstanding.
- (ii) Analysis of frauds over Rs. 1 lakh/10 lakh/50 lakh/100 lakh.
- (iii) Estimated loss to the bank and the amount recovered during the year and provisions made, if any (for last 3 years).
- (iv) Number of cases (with amounts) where staff are involved during the year and action taken against staff.
- (v) Category-wise classification and analysis of frauds.
- (vi) Region-wise/Zone-wise break-up of figures of number of frauds (with amounts).

- (vii) Time taken to detect frauds (No. of cases detected within three months, six months, one year of their commission).
- (viii) Analysis of frauds reported to CBI/Police and present position in the matter.
- (ix) No. of frauds where final action has been taken by the bank and cases disposed off.
- (x) The preventive/punitive steps taken by the bank during the year to reduce/minimise the incidence of frauds.
- (xi) A comparative analysis of the current year figures with those of the previous two years.
- (xii) A separate Annexure may also be enclosed with this review note detailing the modus operandi of major frauds reported during the year along with their present position.

6.6 The losses arising out of frauds in subsidiaries and other related entities have an impact on the parent banks. Therefore, frauds perpetrated on subsidiaries and affiliates/joint venture participations functioning both in India and abroad may be treated by banks incorporated in India on par with those of their branches and may be taken into account in the Annual Review of frauds.

6.7 Banks should present State-wise data in the reviews in respect of frauds perpetrated during the year under review.

6.8 Three copies of such reviews should be sent to the concerned Regional Office of RBI under whose jurisdiction the bank falls.

6.9 Banks should nominate a senior officer under advice to RBI who may attend the work relating to the annual review of frauds. The nominated officer may also be made responsible for the timely preparation and placing before the Board and transmission of the review to the concerned Regional Office of the DBS by 15th May of the succeeding year.

7. ENTRUSTMENT OF CASES FOR CBI/POLICE INVESTIGATIONS/ DEPARTMENTAL ENQUIRIES

7.1 Guidelines for reporting frauds to Police/CBI

7.1.1 Private sector banks should follow the following guidelines for reporting of frauds such as unauthorised credit facilities extended by the bank for illegal gratification, negligence and cash shortages, cheating, forgery, etc. to the State Police authorities:

- (i) In dealing with cases of frauds/embezzlement, banks should not merely be actuated by the necessity for recovering expeditiously the amount involved, but should also be motivated by public interest and the need for ensuring that the guilty persons do not go unpunished.

(ii) Therefore, as a general rule, the following cases should invariably be referred to State Police:

- (a) The cases of frauds on banks involving an amount of Rs. 1 lakh and above, committed by outsiders on their own and/or with the connivance of bank staff/officers.
- (b) The cases of frauds committed by bank employees themselves, when it involves bank funds exceeding Rs. 10,000/-.

7.1.2 Public sector banks should note that, as a general rule, all the cases of frauds on banks, whether committed by outsiders on their own or with the connivance of bank officials and the cases of frauds committed by bank officials themselves, should invariably be reported to the investigating agencies or criminal cases filed with Courts where appropriate, immediately after the bank has concluded that a fraud has been perpetrated.

7.2 Report on cases entrusted to CBI by public sector banks

7.2.1 All public sector banks should submit the following statements to RBI:

- (i) A report, as soon as any case is filed by the bank with CBI for investigation.
- (ii) Half-yearly statement as at the end of June and December each year, containing details of the cases which are being investigated by CBI. In particular, the undernoted information in respect of each case may be furnished in the statement:
 - a. Name of the branch
 - b. Nature of account
 - c. Name of the party
 - d. Amount involved
 - e. Brief details of the case *
 - f. Names and designations of the bank employees, if involved
 - g. Date on which the case was filed with CBI
 - h. The present position of the case

* If the details of the case have already been reported to RBI, the Reference No. and date of the bank's letter reporting the case to RBI may also be given in (e) above.

7.2.2 These statements/reports should be sent in a cover marked 'SECRET' and addressed to the Chief General Manager in charge of the Central Office of the Department of Banking Supervision so as to reach not later than the end of the month following the date to which the statement/reports relate.

8. REPORTING CASES OF THEFT, BURGLARY, DACOITY AND BANK ROBBERIES

8.1 Banks should arrange to report within 24 hours of their occurrence, bank robberies, dacoities, thefts or burglaries to the following authorities in the proforma given in Annexure 9.

- (i) Reserve Bank of India, Department of Banking Supervision, Central Office, Mumbai.
- (ii) A copy to be endorsed to the concerned Regional Office of Reserve Bank of India of the State in which the dacoity takes place for use by the State Level Security Council.
- (iii) The Security Adviser, Central Security Cell, Reserve Bank of India, Department of Administration and Personnel Management, Central Office, Central Office Building, Mumbai – 400001.
- (iv) Ministry of Finance, Department of Economic Affairs, (Banking Division), Government of India, New Delhi.

8.2 Banks are also required to submit to Reserve Bank of India, a consolidated statement on quarterly basis in the same format covering all the cases pertaining to the quarter.

Appendix

FRAUDS - CLASSIFICATION AND REPORTING

List of Circulars consolidated by the Master Circular

No.	Circular No.	Date	Subject	Para No.
1	DBS.FGV.No.258/23.04.001/2000-01	26.08.00	Reporting of frauds by banks	4.1
2	DBS.No.FGV.BC.46/23.04.001/98-99	28.01.99	Submission of Quarterly/Half-yearly Statements on Frauds, etc.	5.2.3 (ii)
3	DBS.No.FGV.BC.34/23.04.001/98-99	26.09.98	Frauds in Banks – Filing of Complaints with Investigating Agencies	7.1.2
4	DBS.FGV.1487/23.04.001/97-98	23.06.98	Reporting of Frauds	2
5	DBS.FGV.BC.15/23.04.001/97-98	05.05.98	Frauds in Banks - Reporting to RBI	4.1.1, 4.1.2, 4.1.3 (i), 4.1.4 (ii) & (iii), 5.3.1, 5.4.1
6	DBS.FGV.460/23.04.001/97-98	03.11.97	Reporting of Frauds	2.2, 2.3
7	DOS.No.FGV.BC.25/23.04.001/96	30.12.96	Reporting of Frauds by Banks	4.1.2 (i) & (iii) (c)
8	DOS.317/23.11.001/96	09.09.96	Frauds in Banks - Compendium of Instructions	1.2

No.	Circular No.	Date	Subject	Para No.
9	DOS.No.FGV.BC.13/23.01.001/96	12.06.96	Annual Review of Frauds	6.6, 6.7
10	DOS.No.BC.FGV.10/23.04.001/96	06.05.96	Reporting of Frauds in Banks	--
11	DBOD.No.GC.BC.30/C.408-A (88)-91	26.09.91	Reporting of Cases of Bank Robberies/ Dacoities/Thefts/Burglaries	8.1
12	DBOD.No.GC.BC.128/C.408(A)88-91	21.05.91	Reporting of Cases of Bank Robberies/ Dacoities/Burglaries	8.1.1
13	DBOD.No.GC.BC.74/C.408(A)-90/91	29.01.91	Frauds in Banks	4.1.5, 5.2.2 (i) (b) & (c)
14	DBOD.No.GC.BC.135/C.408A (88)-89	05.06.89	Reporting of Cases of Bank Robberies/ Dacoities/Thefts/Burglaries	8
15	DBOD.No.GC.BC.111/C.408(A)-89	20.04.89	Non-Detection of Frauds in Banks During Inspection/Audit	2.1
16	DBOD.No.GC.BC.92/C.408A-89	17.03.89	Annual Review of Cases of Frauds	6.4
17	DBOD.No.GC.BC.40/C.408(A)-88	18.10.88	Frauds in Banks Perpetrated by Unscrupulous Borrowers	4.1.4 (ii) and (vi)
18	DBOD.No.GC.BC.21/C.408A(91)-88	22.08.88	Frauds in Banks - Cases of Frauds Involving Rs. 100 lakh and Above	5.4
19	DBOD.No.GC.BC.135/C.408(A)-88	20.05.88	Reporting Cases of Frauds Amount Rs. 10,000/- by Banks to RBI	4.1.2 (i) (b), 5.2.2 (i) (f)
20	DBOD.No.GC.BC.134/C.408A (SA)-88	14.05.88	Security in Commercial Banks - Setting up of State Level Security Committees	8.1.1 (ii)
21	DBOD.No.GC.BC.109/C.408A(88)-88	29.03.88	Reporting of Cases of Bank Robberies/ Dacoities/Thefts/Burglaries	8
22	DBOD.No.GC.BC.107/C.408A(88)-88	22.03.88	Bank Robberies/Dacoities - Reporting thereof	8
23	DBOD.No.GC.BC.59/C.408(A)-87	02.11.87	Frauds in Banks - Committed by Unscrupulous Borrowers	4.1.4 (vi)
24	DBOD.No.GC.BC.43/C.408A(88)-87	28.09.87	Reporting of Cases of Bank Robberies/ Dacoities/Thefts/Burglaries	8
25	DBOD.No.GC.BC.32/C.408(A)-87	16.09.87	Reporting of Cases of Frauds in Banks	5.5
26	DBOD.No.SLC.BC.49/C.739(A-1)-87	15.05.87	Kite-flying Operations/Purchase of Cheques	4.1.3
27	DBOD.No.GC.BC.9/C.408(A)-87	04.02.87	Frauds in Banks - Reporting of Cases of Actual/ Suspected Frauds to RBI	4
28	DBOD.No.GC.BC.3/C.408(A)-87	19.01.87	Reporting of Cases of Frauds in Banks	5.5
29	D.O.No.DBOD.No.GC.BC.90/C. 408(A)- 86	01.09.86	Annual Review of Frauds	6.5
30	DBOD.No.SIC.BC.460/C.739(A-1)-86	11.03.86	Frauds in Banks	4.1.3
31	DBOD.No.GC.BC.24/C.408(A)-86	01.03.86	Frauds in Banks - Committed by Unscrupulous Borrowers	4.1.4

No.	Circular No.	Date	Subject	Para No.
32	DBOD.No.GC.BC.154/C.408(A)-85	31.12.85	Reporting of Cases of Frauds Involving Amounts up to Rs.10,000/- by Banks to RBI	4.1.1, 5.3
33	DBOD.No.GC.BC.115/C.408(A)/ 85	06.09.85	Reporting of Frauds in Banks	4.1.2 (iii) (e)
34	DBOD.No.GC.BC.87/C.408A(88)-85	31.07.85	Reporting of Cases of Bank Robberies/ Dacoities	8
35	DBOD.No.GC.BC.52/C.408(A)-85	29.04.85	Reporting of Cases of Attempted Frauds to RBI	4.1.2 (iii) (b), 4.1.6
36	DBOD.No.GC.BC.5/C.408A-85	15.01.85	Guidelines regarding Entrustment of Cases for Police Investigation	7.1
37	DBOD.No.GC.BC.128/C.408(A)-840	28.12.84	Reporting of Cases of Bank Robberies/Dacoities/Thefts/ Burglaries	8
38	DBOD.No.GC.BC.127/C.408(A)-84	28.12.84	Classification of Frauds	3, 4.1.2, 5.3.2
39	DBOD.No.GC.BC.43/C.408(A)-84	22.05.84	Collection of Information on Frauds and Action Taken by Banks to Contain them	5
40	DBOD.No.GC.BC.81/C.408(A)-84	16.08.84	Frauds in Banks - Reporting of Cases of Cash Shortages by Banks	5.3.2
41	DBOD.No.GC.BC.93/C.408A(89)-83	15.11.83	Details of Vigilance Cases/Cases Referred to Central Bureau of Investigation	7.2
42	DBOD.No.GC.BC.28/C.408(A)-83	08.04.83	Frauds in Banks	4.1.2 (ii)
43	DBOD.No.Com.ROC.30/C.408(A)-81	19.08.81	Frauds in Banks	6
44	D.O.No.DBOD.Com.951/C.408 (AA)-77	09.06.77	Frauds in Banks	4.1.2 (i) & (iii)
45	DBOD.No.BC.Com.14/C.408(A)-76	02.02.76	Frauds in Banks	4.1.2 (i)
46	DBOD.No.Ins.606/C.408(A)-70	15.07.70	Frauds in Banks	4.1.2 (i)