

FRAUDS IN AREAS OTHER THAN ADVANCES

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FRAUDS IN BANK

➤ Cash -

- Cash lending during working hours
- Missing notes in bundles
- Use of same notes bundles by two branches

FRAUDS IN BANK

➤ Stationery –

- Misuse of sensitive stationery

➤ Others –

- Wrong posting in other accounts
- Fake FD Receipts

FRAUDS IN BANK

- **Others – Contd..**
 - **Suspense and Sundry Accounts – Types of Accounts**
 - ✓ Advance to Employees
 - ✓ Cheque clearing returned
 - ✓ Stamp duty franking intermediary
 - ✓ Funds in transfer
 - ✓ Others

FRAUDS IN BANK

➤ Others – Contd..

- **Suspense and Sundry Accounts – Contd..**
 1. Evaluate normal time require for clearance of items
 2. Items squared off during the year to be seen
 3. Expeditious clearance of items debited in suspense accounts

FRAUDS IN BANK

- Others – Contd..
 - **Suspense and Sundry Accounts – Contd..**
 4. Details of old outstanding with reasons for delay in adjustment
 5. Provision /write-off
 6. Nature and amount of unusual items

FRAUDS ON BANK

- Technology related Frauds
- Deposit related Frauds
- Related Party Transactions
- Others

FRAUDS ON BANK

➤ Technology related Frauds

Use of platforms like mobile banking, Internet and social media NEFT/RTGS/ATM/Debit-Credit Cards to enhance efficiency and cutting cost.

Software programs or malware attacks

The methods used for Frauds are -

phishing, vishing, SMSishing, whaling, card duplication and stealing confidential data

FRAUDS ON BANK

➤ Deposit related Frauds –

- Lack of compliance with KYC Guidelines,
- Misuse of inoperative accounts,
- Non reconciliation of Suspense and Sundry accounts

FRAUDS ON BANK

- Related Party Transactions
 - Transactions with related parties not genuine
 - Diversion of Funds

FRAUDS ON BANK

➤ Others –

- Change in constitution not informed to the bank
- Activity partially or fully discontinued
- Substantial increase in cash sales but not reflected in bank accounts

FRAUDS ON BANK

➤ Others – Contd..

- Disputes and related liabilities and pending litigations
- Kite flying operations
- Opening unauthorized Bank accounts with other banks

FRAUDS ON BANK

- Others – Contd..
 - Forged Signatures
 - Cheque Fraud –
 - ✓ Alteration in amounts
 - ✓ Alteration in accounts titles
 - ✓ Kite flying
- Bank Reconciliation Frauds

Happy Learning!