

interest in January 2017. Mallya was accused for violating Sec 120B read with Sec 420 I.P.C. and Sec 13(2) read with Sec 13(1)(d) of the Prevention of Corruption Act, 1988.

2. PNB Scam:

The PNB Scam has been labeled the largest fraud in the Indian banking industry. Nirav Modi (Indian businessman in the luxury diamond jewelry sector), his uncle Mehul Chowksi and other relatives, and several PNB staff were the major accused in the Scam. PNB's Brady House office in Mumbai produced fraudulent letters of undertaking (LoUs) worth about Rs. 11,000 crores in collusion with Nirav Modi, his relatives, and some PNB staff. The aforementioned LoUs appear to have been issued for offshore payments by entities associated with Nirav Modi and Mehul Chowksi. Some of the PNB employees used the international financial communication system SWIFT to issue LoUs to overseas branches of Indian banks, bypassing the bank's core system. Criminal conspiracy, criminal breach of trust, cheating, corruption, money laundering, fraud, embezzlement, and breach of contract were among the charges leveled against the defendants in the case. PNB filed a complaint against the accused for commission for fraud in January 2018, and the CBI launched an inquiry into the incident. Nirav Modi and Mehul Chowksi both departed India before the scandal became public.

3. ICICI Bank and Videocon Group:

The ICICI Bank made loans to the Videocon group totaling Rs. 1875 crores. Ms. Chanda Kochhar was the bank's CEO and MD at the time. The Videocon group submitted 258 ideas to the bank, with only eight of them being accepted. She was a member of the sanctioning and recommending committee for four of these projects. From 2009 to 2011, the bank made loans to the Videocon group and its connected entities, with the majority of these loans made in flagrant breach of banking regulations and ICICI bank policy. Within months of the loan being approved, Dhoot's Supreme Energy awarded a loan of Rs. 64 crores in which Deepak Kocchar (Chanda Kocchar's husband) owns 50%. There were allegations that the loan was given in exchange for something. The Enforcement Directorate probed the multi-billion-dollar scheme, and Chanda Kochhar was forced to resign as CEO.

4. ABG Shipyard Fraud:

ABG Shipyard is possibly the most well-known bank fraud case. In early February, ABG Shipyard's top executives were charged with inflicting unjust losses totaling Rs.22,842 crores to an ICICI-led consortium of banks that included SBI. The theft was discovered when an audit

report was submitted in January 2019. According to the investigation, top ABG officials engaged in illicit acts such as fund diversion, criminal misuse of funds, and criminal breach of trust.

5. Canara Bank and State Bank of India Fraud:

Canara Bank and SBI had filed complaints with the CBI alleging fraud of Rs.7,926.01 crore and Rs.313.79 crore, respectively. The first case was launched against a private firm situated in Hyderabad and certain unknown public personnel. There were charges that the firm obtained multiple credit facilities from Canara Bank and committed various financial crimes such as falsifying accounts, tampering with balance sheets, misuse of cash, diversion of loan amount, and so on. The account became non-performing and was ruled a scam. On the basis of SBI's allegation, a second lawsuit was launched against a private corporation situated in Chennai. The accused company allegedly obtained a credit limit of Rs. 310 crores from the bank and diverted the funds.

Legal provisions under numerous laws & the penalties specified for such frauds - Indian penal code 1860

Section 405	“Whoever, being in any manner entrusted with property, or with any dominion over property, dishonestly misappropriates or converts to his own use that property, or of any legal contract, express or implied, which he has made touching the discharge of such trust, or willfully suffers any other person so to do, commits “criminal breach of trust”.
Section 406:	Punishment for criminal breach of trust is imprisonment of either for a period of up to three years, or a fine, or both.
Section 409	“Criminal breach of trust committed by banker, merchant, factor, broker, attorney or agent shall be punished with imprisonment for life or with imprisonment of either may extend to 10 years, and shall also be liable to fine”.
Section 415	Cheating: “Whoever, by deceiving any person, fraudulently or dishonestly induces the person so deceived to deliver any property to any person, or omit if he were not so deceived, and which act or omission causes or is likely to cause damage or harm to that

	person in body, mind, reputation or property, is said to “cheat”.”
Section 416	“A person is said to “cheat by personating” if he cheats by pretending to be some other person, or by knowingly substituting one person for or another, or representing that he or any other person is a person other than he or such other person really is.”
Section 417	“punishment for the commission of offence of Cheating under Section 415 to be imprisonment of either description for a term which may extend to one year, or with fine, or with both.”
Section 418	“Whoever cheats with the knowledge that he is likely thereby to cause wrongful loss to a person whose interest in the transaction to which the cheating relates, he was bound, either by law, or by a legal contract, to protect, shall be punished with imprisonment of either may extend to three years, or with fine, or with both.”
Section 420:	Cheating and dishonestly: Imprisonment of either for a term that may extend to 7 years, as well as a fine.
Section 467: Forgery of valuable security, will, etc	Forgery of valuable security: Imprisonment for life or imprisonment of either for a term of up to 10 years, with a fine.
Section 468: Forgery for purpose of cheating	Imprisonment of either type for a term that may extend to seven years, as well as a fine.
Section 471	Punishable in the same way as if the individual had forged the paper or electronic record.

Conclusions

These frauds are the work of seasoned criminals, panicked customers, or someone connected with the financial system, or their coordination. Most of the time, their work can be easily recognized with strict attention and analysis of several papers. The preventive measures outlined in this module will undoubtedly aid in tackling the problem of bank fraud if properly implemented. Information about possible channels can keep the banker alert and so aid in the fight against fraud. These frauds are becoming more common and can be considered one of the main reasons for the country's economy being harmed. With such high-profile frauds occurring all over the country, it has become necessary to put a stop to these activities and, if possible, to

create more stringent legislation to address these issues. The most basic preventive action is to follow the regulations and to remain vigilant at all times.

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