



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

www.rbi.org.in

RBI 2011-12 / 266

DBS.FrMC.BC.No.4/23.04.001/2011-12

November 21, 2011

The Chairmen & Chief Executive Officers of all
Scheduled Commercial Banks (excluding RRBs)
and All India Select Financial Institutions

Dear Sir,

Frauds – Classification and Reporting

Please refer to our letter [DBS. FrMC. BC. No.1 /23.04.001/2011-12 dated July 01, 2011](#) forwarding the Master Circular on 'Frauds – Classification and Reporting'.

2. Following the constitution of Financial Conglomerate Monitoring Division (FCMD) in the Department of Banking Supervision, Central Office to supervise and monitor 12 large banks in the country the names of which are given in Annex and other related developments, it has been decided to amend para 3.1.4 of Master Circular DBS. FrMC. BC. No. 1/23.04.001/2011-12 dated July 01, 2011 on 'Frauds – Classification and Reporting' relating to reporting of fraud cases to various offices of RBI as under:

3.1.4 a) Fraud cases involving an amount more than Rs. 1 lakh and upto Rs. 50 lakh

- i) To the R.O under whose jurisdiction the branch where the fraud has taken place is located.
- ii) To the R.O under whose jurisdiction the Head Office where the fraud has taken place is located.

Note: - In case the bank falls under the supervisory purview of Financial Conglomerate Monitoring Division (FCMD) (12 banks listed in the Annex.), the reporting is to be done to Reserve Bank of India, Financial Conglomerate Monitoring Division (FCMD), Department of Banking Supervision, Central office, **4th Floor**, Centre 1, World Trade Centre, Cuffe Parade Mumbai-400005 in place of R.O under whose jurisdiction the Head Office where the fraud has taken place is located.

b) Fraud cases involving an amount of Rs. 50 lakh and above.

- i) To the R.O under whose jurisdiction the head office where the fraud has taken place is located.

Note: - In case the bank falls under the supervisory purview of Financial Conglomerate Monitoring Division (FCMD) (12 banks listed in the Annex.), the reporting is to be done to Reserve Bank of India, Financial Conglomerate Monitoring Division (FCMD), Department of Banking Supervision, Central office, **4th Floor**, Centre 1, World Trade Centre, Cuffe Parade Mumbai-400005 in place of R.O under whose jurisdiction the Head Office where the fraud has taken place is located.

- ii) To Reserve Bank of India, Fraud Monitoring Cell, Department of Banking Supervision, Central office, **2nd Floor**, Centre 1, World Trade Centre, Cuffe Parade Mumbai-400005

There will not be any change regarding submission of soft copy of fraud reports in FMR format to Reserve Bank of India, Fraud Monitoring Cell, Department of Banking Supervision, Central office immediately after the detection of fraud in all cases involving an amount of Rs. 1.00 lakh and above.

3. It has also been decided to amend para 3.2.6 of Master Circular DBS. FrMC. BC. No. 1/23.04.001/2011-12 dated July 01, 2011 on 'Frauds – Classification and Reporting' and henceforth banks need not forward a copy of circular on modus operandi of frauds occurred issued to their branches to Reserve Bank of India, Fraud Monitoring Cell, Department of Banking Supervision, Central office. In place, banks may place the copy of the circular on modus-operandi of fraud issued to their branches before the audit committee of board in its periodical meetings.

Yours faithfully

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(A. Madasamy)
Chief General Manager

Encl: As above

List of banks under the supervisory purview of Financial Conglomerate Monitoring Division (FCMD):

1. State bank of India.
2. Bank of Baroda.
3. Bank of India.
4. Canara Bank.
5. Punjab National bank.
6. Axis bank.
7. HDFC bank.
8. Kotak Mahindra bank.
9. ICICI bank.
10. Citi bank.
11. HSBC.
12. Standard Chartered bank.