

SCAM

FRAUD



Onboarding Induction Fraud Risk Management



Objective

By the end of this module, you will be able to:

- Explain fraud
- Describe the types of fraud
- State the importance of Fraud Risk Management and list the processes the organization has put in place to manage fraud
- Define Operational Risk
- Incident Reporting
- Incident types



What is Fraud

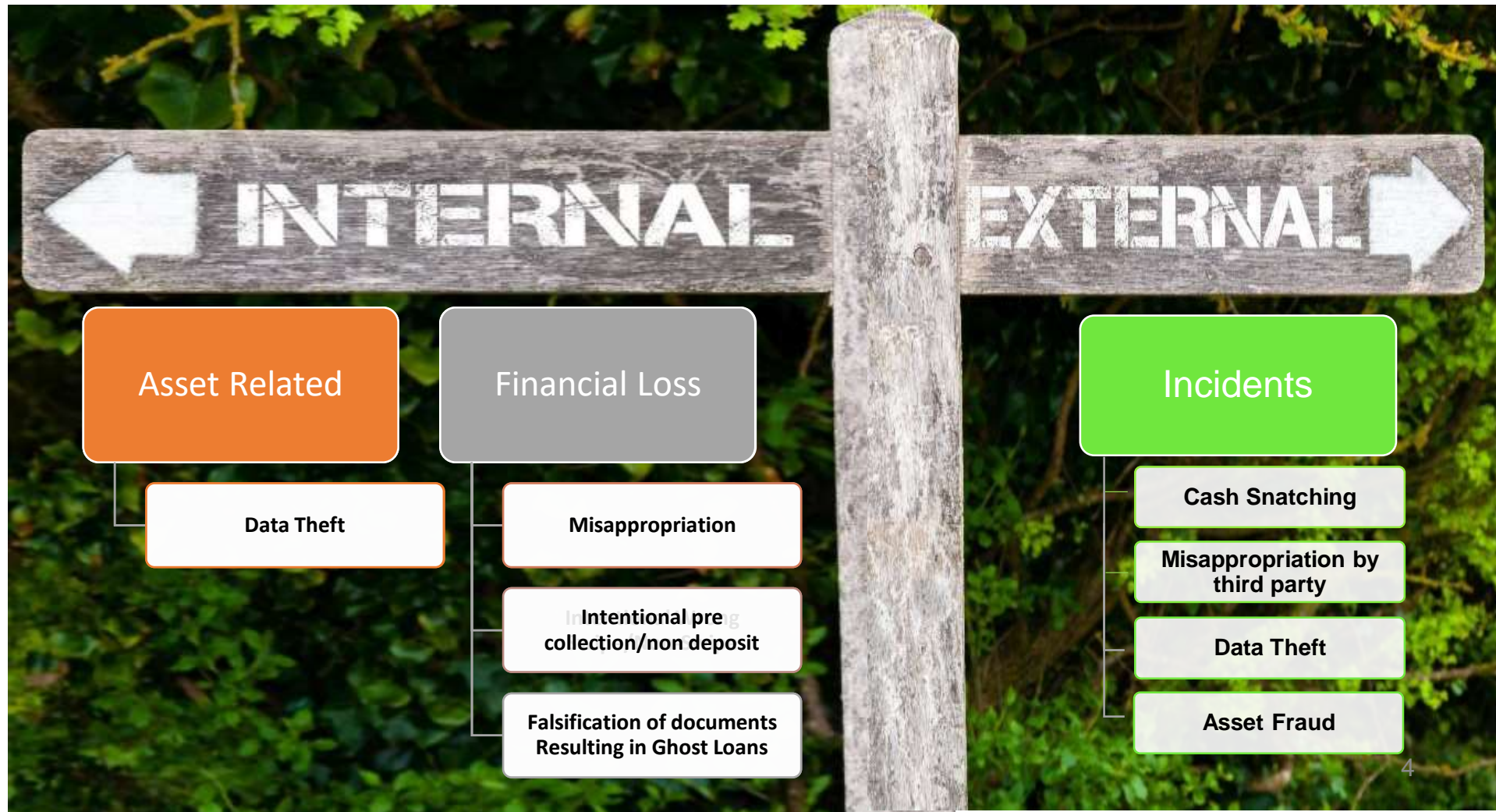
Fraud may be defined as an act or omission which is intended to cause wrongful gain to one person/entity and/or wrongful loss Moneyboxx Finance Ltd, either by way of concealment of facts or otherwise.

The institute also defines fraud as “deliberate abuse of procedures, systems, assets, products and/or services of the MBL by those who intend to deceitfully or unlawfully benefit themselves or others”.



Categories of Fraud / Incidents

Incident reporting plays a major role in facilitating the institute to maintain a safe and secure working environment.



Frauds: Origin/ Type

At MBF, Frauds can happen at various stages during life cycle of the customer.

Fraud may occur at :

1. Sourcing
2. Disbursement
3. Collection



Sourcing

- Dummy Loan/ Ghost loans
- Misuse of biometric
- Misuse of KYC
- Additional Processing Fee collected
- Same co-borrower for two customers
- Wrong entries (Not matching with uploaded images)
- House verification, Confirmatory meetings & credit visit not done.



Disbursement

Disbursement

- Post Disbursement, Document not reaching to Storage
- Wrong entries in mobility (Not matching with uploaded images)
- Checking of original KYC documents of borrower / co-borrower during disbursement



A close-up photograph of a hand placing a single puzzle piece into a larger, interconnected puzzle. The puzzle pieces are a deep blue color and are set against a dark blue background. The lighting is dramatic, with a bright, glowing light source from the right that creates strong highlights and deep shadows, emphasizing the texture and interlocking nature of the puzzle pieces. The hand is positioned on the left side of the frame, with fingers carefully guiding the piece into place.

Fraud Risk Management (FRM) is an important part of the entire Compliance Process within our Organization.

The Three Lines of Defense



Third Line of Defense: **Internal Audit and External Audit and Regulator**

Second Line of Defense: **Quality Assurance, Risk Management: Operational (RM) & and Fraud (RM)**

In this module we focus on
Fraud and Risk Management

First Line of Defense: **MFL Branches, Sales, Business, Operations**



- Warning letter/ Show cause notice from HR
- Suspension letter
- Internal communications mail with details about employees and storefront
- Notice board of Branch's having details and photographs of fraudulent employees
- Termination letter
- Police complaint & FIR
- Register in fraud employee database (Black list)
- Report name of employees to MFIN, CIBIL
- Publish in local newspaper with Photo.
- Inform new employers, giving details and background of the fraud committed



HR awareness program....



MONEYBOXX

BOUNTY HUNTER

WE WANT YOU !!

FRAUD ALERT

BOUNTY REWARDS FOR IDENTIFYING AND REPORTING FRAUD

"THE IDENTITY OF REPORTING PERSON WILL BE KEPT "STRICTLY CONFIDENTIAL"

Rs 5000 - 10,000

The poster features a detective silhouette, a magnifying glass, and a hand holding a reward slip.



Bounty Program "RULES AND REWARDS"

- | | |
|---|--|
| 1 COMMISSION / BRIBE FOR LOAN APPROVAL | 2 EMI COLLECTION IN PERSONAL BANK ACCOUNTS |
| 3 COLLECTION OF NON - APPLICABLE CHARGES FROM CUSTOMERS | 4 NOT DEPOSITING COLLECTION FROM THE CUSTOMER ON THE SAME DAY |
| 5 PRE EMI ADVANCE COLLECTION AND KEEPING IT FOR PERSONAL USE | 6 ANY FRAUDS OF OTHER KIND |

HOW TO REPORT FRAUD TO US ???

Email us at - confidential@moneyboxxfinance.com

- Full description of fraud with all the proofs should be attached for being eligible for the reward

"Reward of **Rs. 5000 to Rs. 10,000** depending upon severity and amount of fraud detected plus **Annual Appraisal Benefits** "



The FRM Process

Once you report a Fraud – the internal teams have _____ days to investigate and close the case.

Experts in teams such as the Operational Risk Management Dept., ORM, FRM Dept. are involved in handling these cases.

Utmost Secrecy is maintained in respect to the person who has reported the fraud.

The accused – irrespective of whether still serving or having quit his job, will still be caught and strict action taken.



Report Fraud to HR

@

Info@moneyboxxfinance.com





Thank You

