



News release

Identity Theft is the largest contributor to Fraud in India

India, 10 February 2016 – Experian India, today launched the ‘Fraud Report 2016’ showcasing the fraud trends in the banking and financial services industry. This first edition of the report analyses trends for the period between Q1 2014 to Q1 2015 and assigns them into four main categories:

- incidences arising from fraudulent contact information,
- fraudulent organisation,
- identity theft or fictitious identity
- and repeated attempts from already identified individuals

In India identity theft accounts for 77 per cent of the fraud cases in Q1 2015. Amongst various financial products, auto loans, mortgage loans and credit cards have seen the largest number of fraud cases from identity theft represented by 85 per cent of the total detected frauds in Q1 2015.

Frauds due to applicants submitting fraudulent contact information has risen by 3% contributing to 18% of all detected frauds. Amongst, all financial products, consumer loans continue to record the highest fraud incidence rates followed by credit cards. The mortgage portfolio has observed a 50% increase in the fraud incidence rate.

The Experian report highlights that falsification of address proof is the most popular behavior seen amongst fraudsters, and hiding of adverse credit is the most common behavior especially in the automotive loan category followed by mortgage fraud. In case of mortgage loans, it has been seen that fraudsters also have used false employment status to avail the loan.

The report covers insights into various fraud types across financial products offered in the industry today. In some categories, there has been a significant drop in the recorded fraud cases. Commenting on this, **Mr. Mohan Jayaraman, Managing Director, Experian Credit Information Company of India and Country Manager, Experian India** said, “The decrease in fraud arising from repeated attempts in the category can be attributed to institutions putting in more processes to check against historical fraud profiles and also highlights improved detection techniques by the financial sector. The change in composition of fraud indicates that steps taken by the industry are in the right direction.”

Mr. Jayaraman further added, “With the rise of social media and information shared in the public, identity fraud continues to be a threat to the industry. Individuals need to be alert on the information they share publicly as well as be alert to phishing emails and calls soliciting personal details. Fraudsters are well-connected, highly skilled and endlessly resourced individuals. There are several components of fraud – accessing data (hacking), creating fake documentation (identity theft), account takeover (purchasing goods illegally) and distribution (sale of goods or data on the black market), hence, it is important for us to think of fraud as an industry.”

In India, Experian is the only provider of application fraud detection services using National Hunter. Experian National Hunter works in a closed user group format and helps the banking, financial services and insurance sector to prevent fraud and provide timely insight and analysis. The industry recorded savings of INR 1,173 crore in FY15 due to applications screened using National Hunter. Recently, the Life Insurance Council in India selected Experian to set up the fraud repository framework in India. This development will have life insurance companies join the National Hunter closed user group along with leading banks and NBFCs in India. For more information, on the report findings, you can visit www.experian.in.

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About Experian

We are the leading global information services company, providing data and analytical tools to our clients around the world. We help businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. We also help people to check their credit report and credit score, and protect against identity theft. In 2015, we were named by *Forbes* magazine as one of the ‘World’s Most Innovative Companies’.

We employ approximately 17,000 people in 37 countries and our corporate headquarters are in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil. Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended March 31, 2015, was US\$4.8 billion.

To find out more about our company, please visit <http://www.experianplc.com> or watch our documentary, ‘[Inside Experian](#)’.