



# The Changing Nature of Financial Fraud and Its Social Impacts in Chhatrapati Sambhajinagar City

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**Abstract:** Financial fraud in Chhatrapati Sambhajinagar has been evolving rapidly, shaped by digital technologies, shifting economic patterns, and growing urbanization. Traditional scams such as fake investment schemes and identity theft are now joined by cyber-fraud, online banking manipulation, and digital payment scams. This changing nature of fraud not only threatens individual savings and business stability but also erodes public trust in financial institutions.

The social impacts are significant: families face financial insecurity, small businesses struggle to recover from losses, and vulnerable groups—such as the elderly or less digitally literate—are disproportionately targeted. Beyond monetary damage, fraud creates psychological stress, weakens community confidence, and increases social inequality. Understanding these dynamics is crucial for designing stronger awareness programs, regulatory measures, and community-based safeguards that can protect citizens while fostering a culture of financial resilience in the city.

**Keyword:** Financial Fraud, Online Fraud, Digital Financial Crimes, Economic Crime

## INTRODUCTION

Marathwada region considers Chhatrapati Sambhajinagar as its major city. The city is well known as an industrial and educational center. In recent years, the number of fraud cases has increased rapidly. Today's era is the computer and digital age, and along with cyber frauds, traditional financial crimes are also increasing in society. At the local level, cases such as investment and chit fund scams, property fraud, misuse of funds in education and government grants, irregularities in recovery processes, insurance fraud, and financial misappropriation in government schemes and cooperative institutions are frequently reported.

In the digital space, crimes include UPI and online banking frauds, fake investment schemes promising high returns, fake loan apps, fraudulent shopping through fake websites, phishing messages, fraud on social media platforms, and online scams through advertisements on platforms like Instagram. Many such fraudulent schemes were reported during the year 2023–24.

Financial fraud has deep psychological and health-related impacts on individuals. It affects the human mind, mental peace, and overall well-being. Therefore, this research has selected the topic “The Nature of Financial Fraud in Chhatrapati Sambhajinagar City and Its Social Impact (2021–2025).”

### 1. Global Economic Crime Report – PwC (2024)

PwC conducted a survey-based study on economic crimes covering 2,500 companies across 63 countries. The study mainly focused on procurement fraud, third-party risks, forced labor, and trade sanctions. The report highlights that many companies do not have proper risk management systems in place. Although technology helps in detecting fraud, criminals are becoming more intelligent and advanced. Due to new regulations, companies are now required to assess human rights risks within their supply chains.

PwC also provided several important recommendations to help companies identify risks and ensure safer and more secure business practices.

### 2. Economic Crime Report in India – PwC (2024)

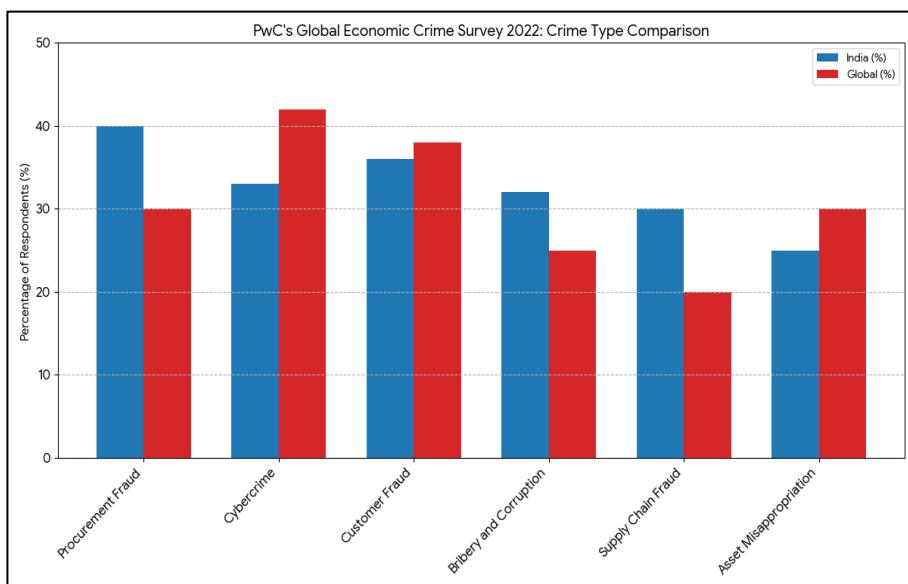
This report examines the economic crimes faced by Indian companies, such as fraud, corruption, cybercrime, forced labor, and violations of trade sanctions. It also reviews the measures adopted by companies to manage and reduce these risks. According to the report, 55% of Indian companies experienced economic crimes during the last 24 months, whereas the global average was 41%. Among the major types of crimes, procurement fraud accounted for 50%, customer fraud for 34%, cybercrime for 33%, and corruption and bribery also for 33% of the reported cases. Although procurement fraud is the biggest risk in India, cybercrime is more widespread at the global level.



Table No. 1  
Economic Crime Report in India

Sr.no	Type of Crime	India (%)	Global (%)
1.	Procurement Fraud	50	29
2.	Cybercrime	33	44
3.	Customer Fraud	37	31
4.	Bribery and Corruption	33	24
5.	Supply Chain Fraud	30	29
6.	Asset Misappropriation	24	29

Source: PwC's Global Economic Crime Survey 2024 – India outlook



Source: PwC's Global Economic Crime Survey 2024 – India outlook

### 3. Economic Crimes in Maharashtra (2024)

Maharashtra is considered a leading state in India in terms of economy, industry, and technology. However, along with this progress, the number of economic crimes is rising, which poses a significant challenge. With the growth of digital transactions and online banking, the incidence of fraud has also increased.

Table No. 2  
Economic Crimes in Maharashtra (2024)

Sr.No	District	Registered Cases	Estimated Loss (₹ Crore)
1.	Mumbai	51,873	12,404.12
2.	Pune	42,802	9,282.96
3.	Thane	35,388	8,583.61
4.	Nagpur	13,475	1,499.07
5.	Nashik	9,169	1,047.32
6.	Chh.Sambhajinagar	6,090	543.69
7.	Amravati	2,778	223.06
8.	Solapur	3,457	394.54

Source: Maharashtra financial fraud cases- Feb 03/2025 The Economic Times

In 2024, the state recorded 221,047 cases of economic fraud, resulting in an estimated financial loss of around ₹38,762 crores. The figures for financial losses in various types of crimes are particularly alarming.

**NUMBER OF FINANCIAL FRAUD CASES IN CHH. SAMBAJINAGAR CITY**

The pace of financial transactions in Chhatrapati Sambhajinagar city is increasing day by day. However, along with this economic growth, the number of financial fraud cases is also rising at an alarming rate, as shown below.

Table No.3  
Recorded Financial Fraud Cases in Chhatrapati Sambhajinagar City

Sr. No.	Year	Cases Registered	Cases Solved
1	2021	269	247
2	2022	283	253
3	2023	227	212
4	2024	250	231
5	Jan–Feb 2025	40	29

**Source:** Office of the Police Commissioner, Chhatrapati Sambhajinagar

Based on the above data, the year 2022 recorded the highest number of registered cases (283), and the number of cases solved in that year was also the highest (253). In 2023, the total number of cases declined, but the case-solving rate remained almost the same. For 2025, data is available only for the month of February, so the total number of cases may increase by the end of the year. The rate of solving fraud cases is relatively good, which indicates that the investigation machinery is active and effective.

In Chhatrapati Sambhajinagar city, the number of financial fraud cases has been changing every year. Although the proportion of cases solved by investigation agencies is satisfactory, it is very important for citizens to increase awareness and take proper precautions while dealing with financial matters.

**CYBER FRAUD IN CHHATRAPATI SAMBAJINAGAR CITY**

Cyber fraud is increasing rapidly in Chhatrapati Sambhajinagar city. With the growth of digital technology, facilities like the internet and mobile banking have become easily accessible. Fraudsters misuse these platforms to cheat people quickly.

To earn or steal money, criminals use methods such as share market scams and fake investment schemes. Therefore, citizens must remain alert at all times. Any unusual or newly launched schemes promising quick profits should be checked carefully to see whether they are genuine or fake.

The above data provides information about cyber fraud cases reported in Chhatrapati Sambhajinagar city, highlighting the need for public awareness and caution while using digital financial services.

Table No.4  
Category-wise Financial / Cyber Fraud Cases in Chhatrapati Sambhajinagar City (2023–2025)

Sr. No.	Type of Fraud	2023	2024	2025
1	Bank / Credit Institution Fraud	04	02	01
2	Bank-related Fraud	02	--	--
3	Share Market Fraud	--	--	--
4	Property-related Fraud	--	--	--
5	Government-related Fraud	--	01	--
6	Fake Document Fraud	03	03	01
7	Company-related Cheating Fraud	--	04	01
8	Company Fraud Cases	01	02	--
9	Credit Institution Fraud	03	--	--
<b>Total</b>		<b>13</b>	<b>12</b>	<b>02</b>

**Source:** Office of the Police Commissioner, Chhatrapati Sambhajinagar

**NATURE OF FINANCIAL FRAUD AND ITS SOCIAL IMPACT**

Today, financial fraud is increasing rapidly because this is the digital era, where financial transactions are carried out faster and more easily. However, this speed has also led to a rise in different types of financial fraud.

Financial fraud refers to cheating done by individuals, institutions, or companies with the intention of gaining illegal financial benefits. Common forms of such fraud include fake transactions, use of forged documents, cyber fraud, money laundering, and purchase-related fraud, among others.

The nature of financial fraud is becoming more complex and advanced with each passing day. Along with traditional methods, digital platforms have significantly increased the scope of fraud. Forms such as online banking fraud, phishing, fake QR code scams, and fraud through social media platforms are causing losses to individual citizens as well as large companies.

The social impact of financial fraud is very serious. Victims suffer financial losses, experience mental stress, and gradually lose trust in banks, companies, and digital transactions. These effects also harm businesses, as company reputations are damaged, customer trust declines, and overall economic stability is disturbed.

From the government's perspective, financial fraud presents a major challenge. A large number of fraud cases create an increased burden on law enforcement agencies, complicate the implementation of laws, and put additional pressure on the judicial system. Moreover, such crimes create a sense of insecurity in society, making people hesitant and doubtful while engaging in financial activities.

**Fraud Prevention Measures**

To prevent fraud, every citizen should keep the following points in mind:

1. Protect your personal information.
2. Be alert and careful while using UPI and OTP.
3. Do not trust suspicious phone calls and emails.
4. Be careful while using an ATM.
5. Keep your mobile phone and digital devices secure.
6. If fraud happens, immediately register a complaint.

**Protection from Online Fraud**

There are many types of fraud such as phishing, tele-calling fraud, KYC fraud, clicking fraud, loan fraud, etc. To protect yourself from these, follow the points below. By following them, you can stay safe.

**1. Stay alert to fraud signals**

Do not trust unknown or fake websites. Always check the domain name, company address, and registration number carefully.

**2. Be cautious of advertisements on social media**

Fraudulent ads on social media may look attractive and promise big profits, but not all ads are trustworthy.

**3. Collect complete and accurate information**

Before making any investment, gather full details about the company, its background, working style, and market reputation.

**4. Take advice from trusted sources**

Before investing, consult certified financial advisors, banks, or recognized institutions.

**5. Be careful and stay patient**

If an offer promises very high returns, it may be a scam. Think calmly and take decisions carefully.

**CONCLUSION**

Financial fraud in Chhatrapati Sambhajinagar city is not only a financial problem, but also a serious issue related to social and mental well-being.

The incidents that occurred during the period from 2022 to 2025 clearly show that for financial security, it is not enough to have laws alone. Public awareness and the proper use of technology are equally important.

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