

Workforce Fraud Files

2025 | RED FLAG FINDINGS



H2 | FY 2024-25

Methodology & Definitions

Data Sources

Our analysis is based on **6 months of background verification data from October 2024 to March 2025**. We reviewed lakhs of candidate cases across two employee types: White-collar and Gig workers, using our in-house verification platform.

Each case includes multiple checks such as Employment, Education, Document, Address, Criminal Records, Database, Reference, Financial, Identity, and Police Verification. The data spans multiple industries, offering a broader view of hiring trends and risks.

Glossary of Terms



Case

An individual application that AuthBridge verifies.



Discrepancy Rate

The percentage of cases (or checks) that returned a mismatch or adverse finding.



Check

An individual verification credential such as work ex, address, identity etc.



Employee Type

White-collar (*corporate roles*), Gig Workers (*contract delivery partners*), Leadership (*senior management/C-suite*).



Discrepant Case

Any case where at least one check failed.

A bad hire can cost up to **1/3rd** or 30% of the employee's first-year salary.¹

As a practice, AuthBridge recommends that employers **trigger instant employment during the advanced stage** of candidate application to avoid going back to the drawing board and onboard the perfect and trusted candidate from the start.

UAN checks can save a lot of hassle and can give early warning to employers in case of a fraudulent application in the initial phase of hiring.

Overall Findings

White-collar employees recorded a **6%** discrepancy rate, especially in IT, banking, and telecom. **Gig workers** showed a **4%** discrepancy rate. These included court record offences and fake identities, raising serious concerns for customer safety in e-commerce, food delivery, and transport.

Employment verification had the **highest discrepancy rate at 13%**, followed by resume checks at 17%. Common issues included exaggerated job histories, salary mismatches, and false claims aimed at improving job prospects in a competitive market.

Background checks typically begin post-offer, and any such discrepancies in BGV results in significant time and budget losses during hiring!

**Post-offer BGV
discrepancies waste
time & hiring budgets.**

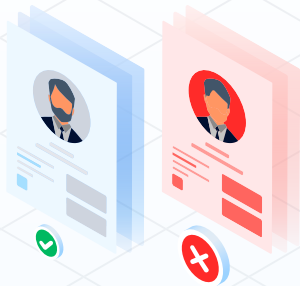
>> White Collar

White-collar employees recorded a **6% discrepancy rate**, with the highest in IT, Banking, and Telecom.

1.3 in 10

Employees Fail Employment Checks

Inflated salaries, fake experience and contract violations emerged as leading causes.



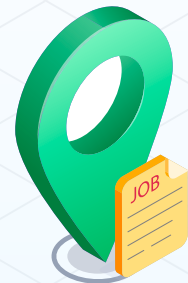
17%

Of Resumes Didn't Match
with what candidates claimed.

10%

Discrepancy In Address Verification

Untraceable locations and referees refuse to confirm details.



5%

Of Education Checks Flagged Discrepancies

Fake certificates and degrees from blacklisted institutions topped the list.

5%

Of White-Collar Employees Were Moonlighting

Especially in Tech and Startups.



>> White Collar

2%

Of Court Record Checks Flagged Issues

From assault to theft and fraud, the most common offences.



1%

Of Employees Found Using Prohibited Substances

What this means?

Securing well-paying roles in a highly competitive job market has become increasingly challenging, and many candidates are resorting to misrepresentation of their credentials.

This trend reflects not only the pressure on job seekers but also the gaps in current hiring practices that often prioritise speed over scrutiny.

AuthBridge Recommends:

- **Invest in instant and ongoing verification models**

Implement AI-powered instant checks at the time of hiring and introduce periodic verifications post-onboarding to identify risks like moonlighting or criminal activity without delay.

- **Design role-based verification protocols**

Calibrate the depth of checks according to the sensitivity of the role. For example, senior or client-facing positions should include enhanced due diligence such as financial integrity checks, behavioural reference interviews, and court record screening.

>> Gig Worker

Overall discrepancy of 4% recorded in Gig Worker Verification Checks.

20%

Of Cases Failed **Address Verification Checks**

Temporary accommodations, frequent relocations, and shared housing were the main causes.



4%

Carry **A Legal History**

Assault, theft, and traffic-related violations were among the top offences reported.

3.5%

Of Samples Failed In **Drug Checks**



A Major Challenge in Gig-Worker Hiring

The companies based on gig economy, like delivery agents and cab drivers, are facing a growing challenge of impersonation.

In many cases, the individual who checks in at the warehouse or a dark store is not the one who completes the delivery. This collusion between person A and person B not only violates platform policies but has also led to cases of pilferage, missing cargo, and fraud, resulting in poor customer experiences.

AuthBridge Recommends:

- **Implement real-time facial recognition and device binding**

Use selfie-based attendance and biometric checks that link identity verification to the delivery device or app to prevent impersonation during pickups and deliveries.



The Truth Before The Title

Leadership is the cornerstone of any company's vision, growth, and continuity. Yet, time and again, critical leadership hiring decisions are made not through robust verification but based on referrals, gut feelings, or worse, trust within an "inner circle." The consequences, however, can be deeply damaging.

Take the **Gensol Engineering** case, their CFO (*now former*) was convicted of financial (*subjudice*) misreporting and manipulation of accounts. Audits eventually uncovered the wrongdoing, but the early warning signs were visible at the time of hiring or considering **IndusInd Bank**, where a senior executive was allegedly involved in fraudulent activities. Once again, the issue was not the absence of verification but the absence of intent to use them effectively at the top.

Leadership Due Diligence That Goes Beyond Background Checks

This is where **AuthLead** by **AuthBridge** makes a critical difference. Designed for high-stakes leadership hiring, AuthLead goes beyond basic verification and looks at the full spectrum of candidate behaviour and risk.

- ✓ Our team conducts independent conversations with ex-bosses, team members, and peers to build a 360-degree leadership profile.
- ✓ We assess competencies such as people management, ethics, cultural alignment, and response under pressure.
- ✓ Financial integrity checks, litigation history, and digital reputation mapping are all part of the process.

Leadership roles demand more than trust. They demand proof of integrity and insights into their way of working. This is why deep due diligence for the leadership role ensures confidence in the right hire.

IT/ITES

IT/ITES had a 9.46% overall discrepancy rate.

1 in 20 tech employees
were moonlighting

Dual employment in IT clocked in at 4.99%. Cases spiked in remote roles with flexible work hours.

7% flagged in employment
checks across the IT sector

Discrepancies involved unverifiable employers and misrepresented notice periods.

Address mismatches
found in **10.11%** of IT hires

Often caused by false temporary addresses or PG accommodations that couldn't be verified by landlords or neighbors.



Nearly **1 in 5** candidates
in IT lied on their resumes

Resume discrepancies in BPO/ITES/IT stood at 18.83%. The most common red flags included inflated job titles and exaggerated tenures.

Education credentials
misrepresented in **4.84%**
of cases

Low, but still notable. Most issues involved unverifiable institutions or courses not aligned with claimed degrees.

>>> BFSI/Financial Services

BFSI/Financial Services recorded a 11.69% overall discrepancy rate.

CRC issues found in over **2%** of BFSI profiles

Court record checks raised red flags related to financial disputes, fraud cases, and pending litigation.

3.31% of BFSI candidates had database inconsistencies

Discrepancies stemmed from mismatched PAN/Aadhaar details or flagged records in regulatory databases.



BFSI sees the highest address discrepancy at **16.33%**

Financial services flagged more cases of rented or outdated addresses being passed off as permanent residences.

Education checks flagged **6.05%** discrepancies

Fake mark sheets and unverifiable distance education programs topped the list of common violations.

Employment misrepresentation is seen in **29%** of cases

This was the most alarming insight from this batch. Candidates often inflated tenure, company names, or failed to disclose termination history.

Retail

Retail showed a 10.3% overall case discrepancy rate.

1 in 6 employees failed employment verification

With 17.61% discrepancy, inflated roles and misrepresented tenures were frequent in retail frontline hiring.

Reference checks raised concerns in 2.13% of cases

Former supervisors either declined to comment or contradicted candidates' claims.

Address mismatches were found in over 9.4% of cases

Candidates often used old or shared addresses, making validation difficult.



1.79% of retail hires had database red flags

Minor mismatches in ID records or duplicate entries were the usual triggers.

Education verification issues stood at 4.8%

False claims about diplomas or incomplete courses were commonly observed.

Pharma

Pharma reported an overall case discrepancy rate of 16%, the highest among all industries.

CRC checks flagged issues in **1.18%** of profiles

Cases are mostly related to past disputes or minor legal history.

9.6% address checks failed in pharma hiring

Most issues involved outdated or incomplete address records, especially among field staff.

1.83% faced education discrepancies

Few, but notable. Cases involved unverifiable degrees and mismatched specialisations.

10.8% of employment checks are discrepant

Almost 1 in 5 candidates have lied about work ex, salary etc.



Telecom

Telecom saw an overall discrepancy rate of 11.34%.

19% of telecom hires failed address checks

Frequent relocations and unverifiable rented addresses were key issues.

1.3% flagged in court record checks

Mostly involved minor legal cases or pending disputes.

3.4% were found moonlighting

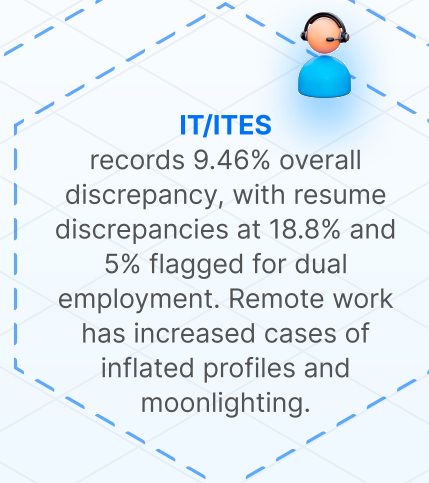
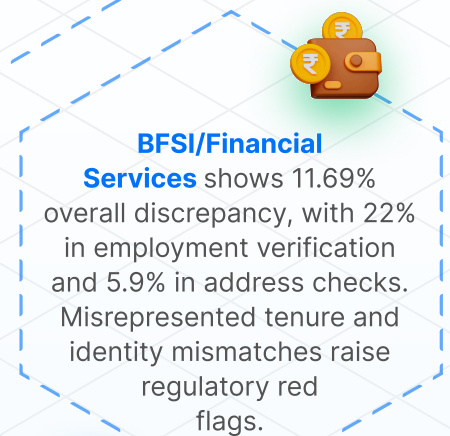
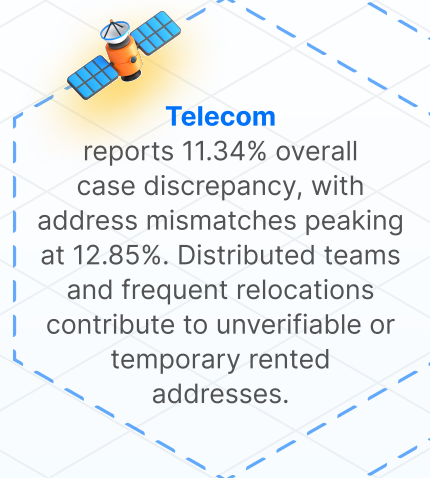
Cases largely involved field staff taking up multiple jobs.

6.7% had education mismatches

Discrepancies included fake diplomas and unverifiable institutions.



>> Discrepancy Trends Within Sectors



Discrepancy trends indicate evolving sectoral risks. Employment verification stood out across industries, with a surge in candidates hiding previous jobs, inflating salaries, or listing incorrect references.

Telecom and Retail show major address verification issues, often due to shifting workforce patterns.

Reference and education checks are becoming increasingly important in distributed and field-driven roles.

These trends underline the need for layered, role-specific due diligence to build a trustworthy and compliant workforce.

>>> The New Face of **Fraud** in IT and E-Commerce

Case	Modus Operandi	What Went Wrong	BGV Gap Exposed
"The Doppelgänger Developer" <i>(Infosys, Apr 2025)</i>	Candidate hired via virtual interview; a <i>proxy sat the interview</i> , real applicant joined 15 days later and was flagged for poor English & skill mismatch.	Quick screenshot audit by HR uncovered mismatched faces; police booked the impostor under cheating & IT Act. <i>(The Indian Express ²⁾)</i>	No real-time face-liveness + ID match during interview; credentials accepted without independent referee checks.
The Phantom Courier <i>(Flipkart, Bengaluru, Oct 2024)</i>	Imposter posed as a delivery executive, pushed customer to accept sealed "iPhone 15". Victim recorded interaction, imposter fled; second legitimate courier finished delivery. <i>(The Times of India ³⁾)</i>	Warehouse security cleared an unvetted outsider; no on-device biometric sign-in before dispatch.	Lax ID/ authentication at hand-off, absence of geo-tagged selfie check before parcel release.
Ghost Deliveries at Scale <i>(Amazon Hyderabad, Jan 2025)</i>	Insider network filed fake delivery runs, claimed mileage reimbursements, and siphoned ₹102.9 crore via falsified trip data. <i>(ap7am.com ⁴⁾)</i>	Collusion between ex-staff & active employees; GPS data spoofed or trips never happened.	No continuous employee background re-screening; trip telemetry not cryptographically bound to driver identity.

>> Leading with **Innovation:** *One Verification at a time!*

In a significant move to modernize India's verification infrastructure, AuthBridge, the country's leading trust and authentication technology company, has launched **GroundCheck.ai** - India's first AI-powered platform purpose-built to *transform Contact Point Verification (CPV) for customers, merchants, and vendors across sectors.*

At a time when digital onboarding, embedded finance, and compliance regulations are rapidly evolving, GroundCheck.ai delivers a unified solution for conducting digital, remote, and on-ground verifications, tailored to risk profiles and enabled by AI, automation, and geolocation intelligence.

With operational coverage across **20,000+ PIN codes**, GroundCheck.ai addresses long-standing industry challenges such as fragmented service networks, inconsistent field quality, and delayed turnaround times - bringing scale, speed, and accuracy to the heart of CPV.



About AuthBridge

For over 20 years, AuthBridge has been a leader in identity management, onboarding & verification, and business intelligence. Our future-ready AI-powered technology and alternative-data analytics serve over 3,000 clients in 30+ industries, from Fortune 500 giants to India's fastest-growing unicorns, ensuring secure, seamless operations worldwide.



ISO-27001:2013



ISO-9001:2015
015



SOC II



190 Countries



15M+ Monthly
Checks



Lowest TAT
in Industry

>> References

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