

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA

UNSTARRED QUESTION NO. 151

ANSWERED ON MONDAY, JULY 18, 2022 / ASHADHA 27, 1944 (SAKA)

Fraud in Digital Transactions

151. SHRI COSME FRANCISCO CAITANO SARDINHA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware of the fact that there is an increasing number of fraudulent cases of digital transactions being reported regularly in various places of the country;
- (b) if so, the details thereof including the number of such cases reported in the country so far particularly in Metropolitan cities;
- (c) whether the Government has formulated any guidelines for the banks to check the fraudulent cases of digital transactions; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(DR BHAGWAT KARAD)

(a) to (d) As apprised by Reserve Bank of India (RBI), the number of digital transactions frauds under the category 'Card/Internet – ATM/Debit Cards, Credit Cards and Internet Banking' as per the occurrence of frauds has declined from 70283 in 2020-21 to 58111 in 2021-22. Further, the digital transaction platform is a pan India platform with a facility of "anytime anywhere" banking. Accordingly, the data is captured only at the National level.

RBI has taken various steps to enhance security of digital payments transaction including card transaction and to control frauds. These include various benefits in terms of increased safety of transaction, efficiency in grievance redressal mechanism etc. being provided to customers. Some of the steps/initiatives taken by RBI along with the circulars/guidelines issued to banks are as under:

- i. To ensure all active cards by them are EMV Chip and Pin-based.

- ii. RBI has issued Master Direction on Digital Payment Security Controls on 18.02.2021 wherein banks have been prescribed security controls including card payment security such as:
 - Regulated Entities (REs) to follow various payment card standards prescriptions for comprehensive payment card security;
 - Secure their card payment infrastructure; and
 - Security controls to be implemented at Hardware Security Modules (HSM).
- iii. Circular on 'Control measures for ATMs – Timelines for compliance' dated 21.6.2018 advises banks to implement various control measures within a time bound manner, including implementation of anti-skimming, white listing solution, upgradation of software and to closely monitor the compliance.
- iv. Caution advice on SIM Swap Frauds dated 03.08.2020.
- v. To provide customers with 24x7 access through multiple channels (at a minimum via website, phone banking, SMS, e-mail, IVR, a dedicated toll-free helpline, reporting to home branch, etc.) for reporting unauthorised transactions that have taken place and/ or loss or theft of payment instrument, such as card, etc.
- vi. RBI is running the awareness campaign under the banner of 'RBI Kehta Hai' on safe digital banking which inter-alia include:
 - ❖ Not to share password/pin/OTP received through SMS;
 - ❖ Act swiftly on alerts received on transactions, which customer have not initiated or not authorized;
 - ❖ Practicing safe mobile banking, such as, awareness on benefits of registering mobile number with Bank for instant alerts;
 - ❖ Not storing important banking data in mobile;
 - ❖ Use verified, secure and trusted website only;
 - ❖ Avoid banking transactions on free networks;
 - ❖ Change PIN regularly; and
 - ❖ Blocking ATM card, Credit Card and prepaid card immediately if it is lost or stolen.
