

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 1158

ANSWERED ON MONDAY, DECEMBER 11, 2023/AGRAHAYANA 20,1945 (SAKA)

UPI Fraud Cases

1158. DR. BEESETTI VENKATA SATYAVATHI:

Will the Minister of FINANCE be pleased to state:

- (a) the steps being taken by the Government to address the rising number of UPI fraud cases in the country;
- (b) whether the Government is collaborating with UPI service providers and financial institutions to implement stronger security measures and prevent fraudulent activities on the UPI platform;
- (c) if so, the details thereof and if not, the reasons therefor; and
- (d) the details on the financial compensation or assistance being given to victims of UPI fraud in the country?

Answer

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

(a) to (c) National Payments Corporation of India (NPCI) has taken various measures to address the UPI fraud cases which include, *inter alia*, (i) stringent device binding between customer's mobile number and his/her device, (ii) use of two factor authentication, (iii) features in UPI app which notifies the customer on the app itself during transaction journey, (iv) daily limits for debit in a customer's account and (v) limits & curbs on use cases which are abused by fraudsters.

Further, NPCI provides a free of cost fraud monitoring solution to all banks to enable them to alert & decline transactions for fraud mitigation, uses Artificial Intelligence/Machine Learning based models to give a risk score to banks. NPCI also coordinates with various Government departments, Reserve Bank of India (RBI) and facilitates Law Enforcement Agencies (LEAs) and banks by providing an Application Programming Interface (API) to platforms such as National Cyber Crime Reporting Portal (I4C) and Cybersafe (Intelligence Bureau) that provides instant beneficiary details for a ticket that is raised.

Ministry of Home Affairs (MHA) created Indian Cybercrime Coordination Centre (I4C) to deal with cybercrime in coordinated and effective manner. National Cybercrime Reporting Portal (www.cybercrime.gov.in) is an initiative of Government of India to facilitate victims/complainants to report cybercrime complaints online 24x7 basis. "Cyber Jaagrookta (awareness) Diwas" is celebrated on the first Wednesday of every month coupled with social media based cyber awareness campaign on various platforms for various cybercrime. RBI has also operationalized Central Payments Fraud Information Registry (CPFIR), a web-based payment-related fraud reporting solution.

(d) RBI had issued instructions to banks regarding limiting the customer liabilities in unauthorized/fraudulent electronic transactions, *vide* circulars dated July 6, 2017 and December 14, 2017 for Commercial banks and Cooperative banks respectively, wherein, the criteria for determining the limited liability of the customer in various types of digital transactions are outlined.
