

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

UNSTARRED QUESTION No. 562

Answered on Tuesday, July 25, 2023/ Sravana 3, 1945 (Saka)

Transactions and financial fraud through Aadhar Enabled Payment System

562. Shri Binoy Viswam:

Will the Minister of FINANCE be pleased to state:

- (a) the number of transactions done through Aadhar-enabled Payment System (AePS), and number of intended beneficiaries of the same;
- (b) the reasons for implementation of AePS;
- (c) the number of complaints and FIRs received against AePS, month-wise and bank-wise, since June 2019;
- (d) the amount of loss incurred to customers due to such fraud since 2019, month-wise and bank-wise; and
- (e) whether any study has been conducted against such financial fraud?

Answer

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

(a) & (b) Aadhaar Enabled Payment System (AePS) is a bank led model which allows online interoperable financial transactions in accounts including accounts of beneficiaries of Direct Benefit Transfer (DBT) through Business Correspondents (BCs), using Aadhaar based biometric authentication. BCs through AePS, provides last mile delivery of basic banking services like cash deposit, cash withdrawal, intrabank or interbank fund transfer, balance enquiry and mini statement etc to the bank customers.

As apprised by the National Payments Corporation of India (NPCI), 485.94 crore transactions have been done through AePS wherein 34.10 crore customers have been served in FY 2022-23.

(c) Reserve Bank of India (RBI) has informed that RBI Ombudsman related to AePS under Reserve Bank-Integrated Ombudsman Scheme, 2021 (RB-IOS) came into effect from 12.11.2021. The month-wise and bank-wise details of complaints received by the RBI Ombudsman related to AePS for the period 12.11.2021 to 31.03.2023 is at **Annexure-I**. Further, information on FIRs received against AePS is not centrally maintained.

(d) As informed by NPCI, the amount of loss incurred to customers due to such fraud, month-wise and bank-wise, since 2019 is as at **Annexure-II**.

(e) The fingerprint being the prominent modality of biometric authentication, there is a constant endeavour by Unique Identification Authority of India (UIDAI) to make the ecosystem increasingly safe and secure. To prevent AePS frauds by use of any possible spoofing attempts, UIDAI has developed an in-house AI/ML based solution which is able to detect the liveness of the fingerprint captured at the scanner of the device and therefore the gummy finger/spoofing attempts are detected.

Further, to make AePS transactions safe and secure, NPCI has developed a Fraud Risk Management (FRM), which is a real time fraud monitoring solution and given to banks free of cost as a value-added service. FRM facilitates setting of rules and limits for the entire ecosystem.

Annexure-I as referred to in part (c) of reply to the Rajya Sabha question No. 562 for 25.07.2023 regarding "Transactions and financial fraud through Aadhar Enabled Payment System"

Name of the Bank	2021		2022			FY 2021-22*
	Nov	Dec	Jan	Feb	Mar	
ARMY BASE WORK-SHOP CREDIT CO-OPERATIVE PRIMARY BANK LIMITED MEERUT					1	1
AIRTEL PAYMENTS BANK LIMITED	1			2	3	6
ANDHRA PRADESH GRAMEENA VIKAS BANK		1				1
ASSAM GRAMIN VIKASH BANK					1	1
AXIS BANK LIMITED	2		2	1	2	7
BANGIYA GRAMIN VIKASH BANK			5			5
BANK OF BARODA		1	2	5	2	10
BANK OF INDIA	2	4	2	1	6	15
BANK OF MAHARASHTRA	2	2	2	2	4	12
BARODA RAJASTHAN KSHETRIYA GRAMIN BANK			1			1
BARODA UTTAR PRADESH GRAMIN BANK			1	1	2	4
CANARA BANK		1	4	1	5	11
CENTRAL BANK OF INDIA	2	4	4		3	13
OTHERS (DEPARTMENT OF POST)					1	1
FEDERAL BANK LTD			1	1		2
FINO PAYMENTS BANK LIMITED	1	2		1		4
GRAMIN BANK OF ARYAVART					1	1
HDFC BANK LTD.	1		2	1	1	5
HIMACHAL PRADESH GRAMIN BANK					1	1
ICICI BANK LIMITED	2	4	3		1	10
INDIA POST PAYMENTS BANK LIMITED				1	1	2
INDIAN BANK		2	8	3	2	15
INDIAN BANK (ERSTWHILE ALLAHABAD BANK)	1		1			2
KOTAK MAHINDRA BANK LTD.		1	1	1	1	4
MAHARASHTRA GRAMIN BANK					1	1
PAYTM PAYMENTS BANK LIMITED			1			1
PRATHAMA BANK					1	1
PUNJAB AND SIND BANK					1	1
PUNJAB NATIONAL BANK	6	3	5	5	8	27
SARVA U.P. GRAMIN BANK	1				1	2
SBM BANK (MAURITIUS)LTD.				1		1
STATE BANK OF INDIA	13	19	18	16	34	100
UCO BANK		2	1		2	5
UNION BANK OF INDIA	3	3	3	5	6	20
Grand Total	37	49	67	48	92	293

*Reserve Bank-Integrated Ombudsman Scheme, 2021 (RB-IOS) came into effect from 12.11.2021.

PAYTM PAYMENTS BANK LIMITED	1	2			1	1		4	2	2	2	4	19
PRATHAMA UP GRAMIN BANK	1							1	2	3	3	5	15
PRIYADARSHANI NAGARI SAHAKARI BANK LIMITED JALNA												1	1
PUNJAB AND MAHARASHTRA COOP.BK.LTD								1					1
PUNJAB AND SIND BANK						2	1		2			2	7
PUNJAB NATIONAL BANK	15	8	17	10	11	15	8	29	20	20	20	21	194
PUNJAB NATIONAL BANK (ERSTWHILE ORIENTAL BANK OF COMMERCE)		1	1										2
RBL BANK LTD					1	1							2
RESERVE BANK EMPLOYEES' CO-OPERATIVE BANK LIMITED				3	4		2	1		5		1	16
SARVA HARYANA GRAMIN BANK	2	3	3	2	1		1	1	3	4		2	22
SBM BANK (INDIA) LIMITED								2				1	3
SEVA VIKAS CO-OPERATIVE BANK LIMITED PUNE								1					1
STANDARD CHARTERED BANK					1						1		2
STATE BANK OF INDIA	40	26	28	22	36	26	46	67	83	71	36	50	531
TRIPURA GRAMIN BANK					1								1
UCO BANK	3	2	1		3	2	1	7	2	4	5	7	37
UNION BANK OF INDIA	10	4	4	6	10	8	14	29	23	10	20	12	150
UNION BANK OF INDIA (ERSTWHILE ANDHRA BANK)												1	1
UTKAL GRAMEEN BANK							1						1
UTTAR BIHAR GRAMIN BANK	2	1	10	18	23	5	5	3	1	1			69
VIDHARBHA KONKAN GRAMIN BANK									1				1
YES BANK LTD.		1	1					3	3		1	1	10
Grand Total	117	95	106	106	133	113	145	249	236	193	152	184	1829

Source: RBI

Annexure-II as referred to in part (d) of reply to the Rajya Sabha question No. 562 for 25.07.2023 regarding "Transactions and financial fraud through Aadhar Enabled Payment System"

Month-wise details of loss incurred since 2019

Year	Month	Value of all approved financial transaction (in crores)	Loss incurred (in lakhs)
2019	Jan-19	6,424	0.10
2019	Feb-19	6,565	0.17
2019	Mar-19	8,224	1.22
2019	Apr-19	9,351	3.18
2019	May-19	9,229	11.97
2019	Jun-19	8,867	1.34
2019	Jul-19	9,685	2.67
2019	Aug-19	10,034	8.10
2019	Sep-19	8,935	5.76
2019	Oct-19	10,823	2.19
2019	Nov-19	9,778	6.88
2019	Dec-19	9,310	11.98
2020	Jan-20	11,287	18.20
2020	Feb-20	11,389	9.78
2020	Mar-20	10,170	11.95
2020	Apr-20	14,709	5.06
2020	May-20	18,130	13.29
2020	Jun-20	19,982	13.94
2020	Jul-20	17,729	18.75
2020	Aug-20	19,812	22.87
2020	Sep-20	17,352	21.30
2020	Oct-20	18,603	32.12
2020	Nov-20	19,055	33.18
2020	Dec-20	19,919	24.79
2021	Jan-21	21,979	26.87
2021	Feb-21	18,662	26.76
2021	Mar-21	22,698	28.86
2021	Apr-21	22,139	5.52
2021	May-21	24,619	7.97
2021	Jun-21	24,667	5.26
2021	Jul-21	23,447	6.86
2021	Aug-21	27,354	3.46
2021	Sep-21	23,292	7.22
2021	Oct-21	25,410	3.51
2021	Nov-21	25,688	4.45
2021	Dec-21	25,861	4.41
2022	Jan-22	29,346	4.26
2022	Feb-22	25,515	4.17
2022	Mar-22	29,163	5.01
2022	Apr-22	28,450	3.02
2022	May-22	30,459	4.97
2022	Jun-22	32,422	7.32
2022	Jul-22	30,199	7.16
2022	Aug-22	27,186	8.80
2022	Sep-22	26,666	11.80
2022	Oct-22	31,113	6.45
2022	Nov-22	26,058	9.55
2022	Dec-22	25,972	22.98
2023	Jan-23	26,715	23.67
2023	Feb-23	25,982	19.14
2023	Mar-23	30,542	18.09
2023	Apr-23	29,649	8.12
2023	May-23	28,037	9.34
Total		10,74,651	585.79

Source: NPCI

Annexure-II as referred to in part (d) of reply to the Rajya Sabha question No. 562 for 25.07.2023 regarding "Transactions and financial fraud through Aadhar Enabled Payment System"

Bank-wise details of loss incurred since 2019

Year	Bank Name	Value of all approved financial transaction (in crores)	Loss incurred (Lakhs)
2019	SBI	38,692	11.29
2019	Bank of Baroda	6,773	10.75
2019	Allahabad Bank	3,487	5.73
2019	Andhra Bank	1,945	5.55
2019	ICICI Bank	1,011	3.37
2019	HDFC Bank	746	3.06
2019	Indian Bank	1,043	2.35
2019	Prathama UP Gramin Bank	381	1.56
2019	Syndicate Bank	1,001	1.49
2019	Central Bank of India	7,299	1.33
2019	Punjab & Sind Bank	373	1.26
2019	Purvanchal Bank	1,254	1.16
2019	Baroda UP Gramin Bank	894	1.11
2019	IDBI Bank	680	0.68
2019	Sarva Haryana Gramin Bank	153	0.67
2019	Karur Vysya Bank	9	0.65
2019	AXIS Bank	506	0.59
2019	Union Bank of India	4,985	0.54
2019	Punjab Gramin Bank	44	0.51
2019	Oriental Bank of Commerce	633	0.39
2019	Aryavart Bank	192	0.35
2019	Canara Bank	1,284	0.30
2019	Vijaya Bank	211	0.30
2019	YES Bank	42	0.20
2019	Andhra Pragathi Grameena Bank	371	0.17
2019	Kotak Mahindra Bank	8	0.10
2019	The Saraswat Co-op Bank Ltd	9	0.10
2020	SBI	58,809	85.64
2020	Union Bank of India	9,212	32.15
2020	Bank of Baroda	12,575	23.59
2020	HDFC Bank	1,448	19.09
2020	Purvanchal Bank	1,953	13.00
2020	Central Bank of India	12,577	10.84
2020	Allahabad Bank	9,066	6.06
2020	AXIS Bank	773	5.74
2020	ICICI Bank	1,433	5.62
2020	Andhra Bank	4,129	5.52
2020	IDBI Bank	1,095	5.22
2020	Baroda UP Gramin Bank	2,935	4.39
2020	Canara Bank	2,941	2.44
2020	Syndicate Bank	2,855	1.52

2020	Prathama UP Gramin Bank	1,394	1.11
2020	Aryavart Bank	1,085	0.64
2020	India Post Payments Bank	1,190	0.51
2020	AU Small Finance Bank	64	0.50
2020	Indian Overseas Bank	2,693	0.40
2020	Kotak Mahindra Bank	16	0.34
2020	Indian Bank	2,224	0.27
2020	Tamilnad Mercantile Bank	8	0.26
2020	YES Bank	35	0.20
2020	Vidarbha Konkan Gramin Bank	258	0.11
2020	IDFC first Bank	635	0.10
2021	SBI	83,964	41.07
2021	HDFC Bank	1,910	22.24
2021	Canara Bank	9,772	13.55
2021	Central Bank of India	18,819	11.48
2021	Union Bank of India	18,520	9.64
2021	ICICI Bank	1,576	8.96
2021	Bank of Baroda	18,591	7.13
2021	Baroda UP Gramin Bank	5,382	3.86
2021	AXIS Bank	1,044	3.60
2021	Indusind Bank	2,545	2.18
2021	Purvanchal Bank	2,588	1.70
2021	IDBI Bank	1,238	1.65
2021	Fino Payments Bank	980	0.69
2021	Kotak Mahindra Bank	53	0.67
2021	India Post Payments Bank	3,882	0.64
2021	Bank of India	15,647	0.37
2021	Airtel Payment Bank	1,635	0.36
2021	Andhra Pragathi Grameena Bank	1,492	0.33
2021	Prathama UP Gramin Bank	2,412	0.31
2021	UCO Bank	5,531	0.31
2021	IDFC first Bank	647	0.10
2021	Punjab & Sind Bank	1,057	0.10
2021	Baroda Rajasthan Kshetriya Gramin Bank	1,989	0.09
2021	Paytm Payments Bank	1,101	0.05
2021	Indian Bank	7,585	0.03
2021	Bank of Maharashtra	3,038	0.03
2021	Odisha Gramya Bank	708	0.02
2021	Saptagiri Grameena Bank	402	0.01
2022	SBI	98,954	30.88
2022	Canara Bank	13,137	17.14
2022	Union Bank of India	24,341	7.81
2022	HDFC Bank	1,741	7.37
2022	ICICI Bank	1,967	6.61
2022	Bank of Baroda	19,597	5.17
2022	Bank Of India	19,387	4.40
2022	Indian Bank	19,700	3.60

2022	Baroda UP Gramin Bank	11,172	2.17
2022	Dakshin Bihar Gramin Bank	5,905	1.08
2022	Suryoday Small Finance Bank	307	0.90
2022	Sarva Haryana Gramin Bank	957	0.90
2022	AXIS Bank	1,166	0.74
2022	Andhra Pragathi Grameena Bank	1,422	0.70
2022	Aryavart Bank	1,537	0.66
2022	Punjab National Bank	33,498	0.64
2022	IDBI Bank	1,356	0.59
2022	Airtel Payment Bank	2,905	0.48
2022	Prathama UP Gramin Bank	3,183	0.48
2022	Indian Overseas Bank	5,247	0.46
2022	Andhra Pradesh Grameena Vikas Bank	2,054	0.46
2022	Indusind Bank	6,363	0.43
2022	Central Bank of India	13,797	0.33
2022	Baroda UP Gramin Bank	11,172	0.32
2022	Kotak Mahindra Bank	140	0.25
2022	Federal Bank	382	0.24
2022	India Post Payments Bank	7,446	0.18
2022	Fino Payments Bank	1,521	0.16
2022	Equitas small finance Bank	114	0.10
2022	IDFC first Bank	550	0.10
2022	YES Bank	48	0.10
2022	Paytm Payments Bank	1,319	0.02
2022	Saptagiri Grameena Bank	392	0.01
2022	UCO Bank	7,443	0.01
2023	Canara Bank	4,369	14.29
2023	SBI	41,861	10.00
2023	Union Bank of India	10,383	9.91
2023	Punjab National Bank	15,624	8.79
2023	Indian Bank	9,341	6.18
2023	Sarva Haryana Gramin Bank	373	3.65
2023	Bank Of India	8,426	3.19
2023	HDFC Bank	579	3.18
2023	India Post Payments Bank	4,416	2.39
2023	Indian Overseas Bank	2,489	2.37
2023	Dakshin Bihar Gramin Bank	2,552	1.87
2023	Baroda UP Gramin Bank	5,782	1.66
2023	Indusind Bank	3,238	1.65
2023	Prathama UP Gramin Bank	1,549	1.54
2023	Kotak Mahindra Bank	141	1.34
2023	Andhra Pradesh Grameena Vikas Bank	407	1.22
2023	Bank of Baroda	2,951	1.06
2023	Aryavart Bank	810	0.80
2023	Airtel Payment Bank	1,801	0.62
2023	ICICI Bank	761	0.55
2023	Central Bank of India	3,071	0.50
2023	IDBI Bank	457	0.45
2023	Saptagiri Grameena Bank	174	0.30
2023	UCO Bank	3,446	0.27
2023	Fino Payments Bank	967	0.14
2023	AXIS Bank	472	0.11
2023	Punjab & Sind Bank	597	0.10
2023	Paytm Payments Bank	453	0.10
2023	Andhra Pragathi Grameena Bank	418	0.09
2023	Suryoday Small Finance Bank	160	0.02
2023	Chaitanya Godavari Gramin Bank	78	0.02
Total		8,67,908	585.78

Source: NPCI