

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 1820**

ANSWERED ON TUESDAY, DECEMBER 19, 2023/AGRAHAYANA 28,1945 (SAKA)

**Digital Online Frauds**

1820. SHRI SANJAY RAUT:

Will the Minister of FINANCE be pleased to state:

- (a) whether it is a fact that the cases of digital frauds committed using cards and internet-based payment methods have nearly been doubled as fraudsters are using new techniques to cheat customers;
- (b) if so, the details thereof and Government's reaction thereto;
- (c) whether the present banking system is unable to identify the fraudsters and retrieve the money; and
- (d) if so, the details of steps taken or proposed to be taken by Government to protect the public money?

**Answer**

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

(a) to (b): As per Reserve Bank of India (RBI), data on frauds (₹1 lakh and above) reported by Scheduled Commercial Banks under the categories – “Cards/internet - credit cards, cards/internet - debit cards and cards/internet - internet banking- based on date of reporting”, during the FY 2021-22 and FY 2022-23 are 3,596 and 6,659 respectively. In the context of the evolution of overall digital ecosystem, the number of frauds reported is significantly outweighed by the substantial increase in the number of total digital payment transactions during the same period.

(c) & (d) Ministry of Home Affairs has informed that ‘Police’ and ‘public order’ are State subjects as per the Seventh Schedule to the Constitution of India. States/UTs are primarily responsible for the prevention, detection, investigation and prosecution of crimes including

cyber frauds through their Law Enforcement Agencies (LEAs). The Central Government supplements the efforts of State Governments through advisories and financial assistance under various schemes for capacity building.

The Government has also launched the National Cyber Crime Reporting Portal (<https://cybercrime.gov.in>) to enable the public to report all types of cyber crimes, with special focus on cyber crimes against women and children, cyber crime incidents reported on this portal are routed automatically to the respective State/UT law enforcement agency for further handling as per the provisions of law.

Indian Cyber Crime Coordination Centre (I4C) is regularly analysing the digital lending apps proactively. Based on its analysis and complaints reported on the National Cyber Crime Reporting Portal, I4C team analyzes Apps on various parameters, and report such Apps to MeitY which are found suspicious, for blocking.

Further, 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.

In order to spread awareness against cyber crimes including financial frauds and to safeguard interests of citizens, several steps have been taken by Government, RBI, and Banks. Some of the initiatives taken in this direction are as follows:

- i. RBI through its campaign “RBI Kehta Hai” and its booklet ‘BE(A)WARE’ informs the public about the precautions to be taken while carrying out financial transactions through digital platforms.
- ii. RBI has formulated conducting of electronic-banking awareness and training (e-BAAT) which has largely focused on awareness about frauds and risk mitigation.
- iii. A Nation-wide Intensive Awareness Programme (NIAP) was carried out in collaboration with the Regulated Entities (REs) of RBI in which approximately 1.63 lakh programmes were carried out through multiple channels.
- iv. RBI has also been conducting Financial Literacy Week (FLW) and Banks have been advised to conduct special camps through Financial Literacy Centres (FLCs) and rural branches.

- v. A framework for financial education has been worked out by RBI for inclusion in the education curriculum of school students in coordination with the National Centre for Financial Education (NCFE).
- vi. Dissemination of messages on cyber crime through short message service (SMS), radio campaigns, publicity on prevention of cyber crime and cyber safety tips through social media accounts of the I4C.

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