

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO: 875

ANSWERED ON TUESDAY, 11 FEBRUARY, 2025/ 22 MAGHA, 1946 (SAKA)

DIGITAL PAYMENT FRAUDS

875 # SHRI NEERAJ DANGI:

Will the Minister of Finance be pleased to state:

(a) the details of cases registered during the last year on the basis of fraudulent calls related to banks and digital payments, internet and card payments;

(b) whether there has been an increase in these cases, if so, the details of action taken by Government against the agencies and organizations involved in such frauds;

(c) the actions taken by Government to monitor digital lending apps and their advertisements in the country; and

(d) whether foreign lending apps are also included in digital lending apps, if so, the details thereof and the number of digital apps that have been banned by Government so far?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a) The Reserve Bank of India (RBI) has informed that they do not maintain such information, however the details of frauds (amount involved ₹1 Lakh and above) reported by the commercial banks and all India financial institutions under the category 'Card / Internet and Digital Payments' during FY 2022-23 and FY 2023-24 are as below:

FY	Number of Frauds	Total Amount Involved in Crore
2022-23	6,699	277.34
2023-24	29,082	1,457.05

(b) With increasing digital payment transactions in the country, incidences of fraudulent practices including digital payment frauds have also gone up in the last few years. 'Police' and 'Public Order' are State subjects as per the Seventh Schedule of the Constitution of India. The States/UTs are primarily responsible for the prevention, detection, investigation and prosecution of crimes including cyber crime through their Law Enforcement Agencies (LEAs). The Central Government supplements the initiatives of the States/UTs through advisories and financial assistance under various schemes for capacity building of their LEAs.

(c) The Government in consultation with regulators and other stakeholders have been taking various initiatives from time to time to protect citizens from exploitation by unauthorized loan apps. This inter-alia, includes:

(i) RBI has issued Master Directions on Digital Payment Security Controls in February, 2021 to combat web and mobile app threats. These guidelines mandate the banks to implement a common minimum standards of security controls for various payment channels like internet, mobile banking, card payment etc.

(ii) The Government and regulators have been proactively engaging with the major internet intermediaries and messaging platforms to review the operations of unauthorised loan apps.

(iii) Indian Cyber Crime Coordination Centre (I4C), Ministry of Home Affairs (MHA) has been proactively analysing the digital lending apps. In order to facilitate the citizens to report cyber incidents including illegal loan apps, MHA has launched a National Cybercrime Reporting Portal (www.cybercrime.gov.in) as well as a National Cybercrime Helpline number “1930”.

(iv) RBI and Banks have been taking up awareness campaigns through short SMS, radio campaign, publicity on prevention of ‘cyber-crime’. Further, RBI has been conducting electronic-banking awareness and training (e-BAAT) programmes which focuses on awareness about frauds and risk mitigation.

(d) Ministry of Electronics and Information Technology (MeitY) issues directions for blocking of information, including fraudulent loan apps under Section 69A of Information Technology (IT) Act, 2000 after following the due process as provided in the Information Technology (Procedure and Safeguards for Blocking for Access of Information by Public) Rules, 2009. MeitY has informed that based on the request made by the nodal officer of the Ministry of Home Affairs(MHA), they have issued blocking directions for 87 illegal loan lending applications.
