

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

RAJYA SABHA
UNSTARRED QUESTION NO. 3612
ANSWERED ON TUESDAY, 24 MARCH, 2026/ CHAITRA 3, 1947 (SAKA)

RISING UPI FRAUDS IN THE COUNTRY

3612. SHRI ASHOK SINGH:

Will the Minister of FINANCE be pleased to state:

- (a) whether Government has taken note of the rising incidents of fraud related to Unified Payments Interface (UPI) transactions reported across the country;
- (b) the number of complaints received and the total amount involved in UPI related frauds during the last three years, year-wise;
- (c) whether Government has undertaken any assessment regarding the reluctance of certain vendors and small merchants to accept UPI payments, despite the rapid expansion of digital payment systems in the country; and
- (d) the steps taken or proposed to strengthen security safeguards in digital payment platforms and to promote wider acceptance of UPI transactions among merchants and consumers?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) & (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. As informed by Reserve Bank of India (RBI), the details of UPI payment frauds reported during the last three financial years are as below:

Financial Year	No. of incidents (in Lakhs)	Amount Involved (₹ Crore)
2022-23	7.25	573
2023-24	13.42	1,087.00
2024-25	12.64	981

(c) The Government, in consultation with RBI and the National Payments Corporation of India (NPCI), regularly monitors the adoption and usage of digital payment systems, including UPI. Several measures have been undertaken to promote wider acceptance of digital payments and strengthen the overall ecosystem. The Government has set up the DIGIDHAN Mission to promote digital payments and strengthen the digital payments ecosystem across the country. Further, the incentive scheme has been implemented to support the banks and fintechs in promoting digital payments and ensuring uninterrupted services to the citizens. The RBI has also implemented the Payment Infrastructure Development Fund (PIDF) for the deployment of digital payment infrastructure in underserved and remote areas.

(d) In order to strengthen security safeguards in digital payment platforms including UPI transaction, various initiatives been taken by RBI and NPCI. These, inter alia, include device binding between the customer's mobile number and device, two-factor authentication through PIN, daily transaction limits, and restrictions on use cases. NPCI also provides a fraud monitoring solution to all the banks to generate alerts and decline transactions using AI/ML-based models. RBI and banks have been conducting awareness campaigns through short SMS, radio campaigns, and publicity on the prevention of cyber-crime.
