

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
UNSTARRED ADMITTED QUESTION NO. 2222
TO BE ANSWERED ON: 15.03.2017

BANK'S CYBER INSURANCE

2222 PROF. RAVINDRA VISHWANATH GAIKWAD:

Will the Minister of Electronics and Information Technology be pleased to state:

- (a) whether there is any proposal under consideration of the Government to start/lay stress on banks' cyber insurance after the demonetisation and digitisation and also the increasing cyber attacks;
- (b) if so, the details thereof;
- (c) the time by which it is likely to be implemented;
- (d) if not the reasons thereof;
- (e) the number of cases of frauds came to the notice of the Government till now and the losses incurred due to such incidents.

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI P. P. CHAUDHARY)

(a) (b) (c) and (d): Reserve Bank of India (RBI) vide circular DBS.CO.ITC.BC.No. 6 /31.02.008/2010-11 dated April 29, 2011 on implementation of recommendations of Working Group on Information Security, Electronic Banking, Technology Risk Management and Cyber Frauds, has indicated that banks may consider insurance to transfer risk to a third party, however taking due care regarding certainty of payments in the event of disruptions. Banks take decisions on having arrangements for cyber insurance as per their approved policy framework. Further, Vide Circular no. DBS.CO/CSITE/BC.11/33.01.001/2015-16 dated June 2, 2016 on Cyber Security Framework in Banks, banks have been advised to report all unusual cyber security incidents to RBI within 2 - 6 hours of detection.

(e): As of February 28, 2017, the details of the incidents reported by bank since issuance of above mentioned circular are as under:

Sl No	Type of Incidents	Total no of incidents reported
1	Ransomware	7
2	Distributed Denial of Service (DDos)	2
3	Phishing Attacks	6
4	Rogue Mobile Application	6
5	Card Skimming	3
6	Virus/Malware	13

Further, the details of frauds related to Credit/ ATM / Debit cards & Net Banking reported by banks during last three years and current year (From April 01, 2013 to December 31, 2016) and extent of losses occurred due to such incident is as per Tables below:

- (i) All Frauds – including those involving below ` 1 lakh.

Details of frauds reported in Credit Cards/ ATM/Debit Cards and Internet Banking Categories								
(Amount in Lakh `)								
Financial Year	Credit Cards		ATM/ Debit Cards		Internet Banking		Total (All three categories)	
	No. of Frauds	Amount	No. of Frauds	Amount	No. of Frauds	Amount	No. of Frauds	Amount
2013-14	7890	5481.59	1307	823.17	303	1495.83	9500	7800.59
2014-15	10382	4231.97	2498	1385.98	203	2445.8	13083	8063.75
2015-16	9849	4597.79	6585	3126.85	34	175.31	16468	7899.95
June, September, December Quarter 2016	4557	2156.78	4064	1900.8	68	158.18	8689	4215.76

Source: FMR2 submitted by banks

- (ii) Extent of loss incurred by Banks for Frauds for amount \geq ` 1 lakhs

Details of frauds (amount involved \geq `1.00 Lakh) reported in Credit Cards/ Debit or ATM Cards & Internet Banking - Amount in Lakh (`) - Source: FMR1			
Financial Year	No. of cases reported	Total Amount involved	Extent of Loss to banks
2013-14	978	5451.77	3225.31
2014-15	845	5169	1848.5
2015-16	1190	4019.12	2702.26
June, September & December Quarter 2016	1081	3501.88	2635.43
Total	4094	18141.77	10411.5

- (iii) The Extent of loss for fraud below Rupees One lakh for the above period is not available with RBI.

Final list of the Questions
Ministry of Electronics and Information Technology
(Parliament Section)

The following questions have been admitted for answer in **Lok Sabha on 15.03.2017 (Wednesday)**.

Sl. No.	D.No.	Admit No.	Subject	File No.	Concd. GCs / HODs	Remarks
UNSTARRED						
1.	5330	2085	Enrolment of Aadhaar in Assam	2(79)/17-Parl.	JS(e-Gov.) / CEO-Aadhaar	
2.	5341	2088	Use of Data for Apps	2(61)/17-Parl.	DG, NIC	
3.	5347	2089	Digital Literacy in rural areas	2(58)/17-Parl.	JS(SM)	
4.	5471	2108	BPO's in rural areas	2(73)/17-Parl.	JS(RK)	
5.	5480	2111	Consultation Services through CSC's	2(67)/17-Parl.	JS(e-Gov.)	
6.	5520	2117	Central Services offering e-Transactions	2(76)/17-Parl.	JS(e-Gov.)	
7.	5559	2124	CSC for Assembling and Manufacturing LED	2(63)/17-Parl.	JS(e-Gov.)	
8.	5607	2132	Training of the Trainers Programme	2(77)/17-Parl.	JS(SM)	
9.	5818	2153	Digital Village Panchayat	2(71)/17-Parl.	CEO-NEGD	
10.	4836	2169	Risk in Cashless payments	2(84)/17-Parl.	GC(CL&ES)	
11.	7266	2172	Investment in start-ups	2(94)/17-Parl.	JS(RB)	
12.	7347	2173	Charge on Digital Transactions	2(86)/17-Parl.	JS(SKR)	
13.	7438	2176	Infrastructural Development for Digital Literacy	2(60)/17-Parl.	JS(SM)	
14.	9446	2188	Assocham Report on digital India	2(48)/17-Parl.	JS(e-Gov.)	
15.	9563	2203	Electronics Industry in India	2(81)/17-Parl.	JS(RB)	
16.	9564	2204	Effect on HIB Visa Raw on IT Sector	2(55)/17-Parl.	JS(RK)	
17.	9572	2205	Privacy Issues in Aadhaar Bill	2(74)/17-Parl.	JS(e-Gov.) / CEO-Aadhaar	
18.	9605	2210	Legality of online transactions	2(75)/17-Parl.	JS(SKR)	
19.	9621	2211	Digital Literacy	2(62)/17-Parl.	JS(SM)	
20.	9624	2212	Unauthorised Agencies offering Aadhaar related services	2(50)/17-Parl.	JS(e-Gov.) / CEO-Aadhaar	
21.	9772	2222	Bank's Cyber Insurance	2(91)/17-Parl.	JS(RB)	
22.	9896	2232	Software Testing Centres	2(83)/17-Parl.	GC(AK) / DG, STQC	
23.	7439	2280	Promotion of cashless Economy	2(85)/17-Parl.	JS(SKR)	
24.	9305	2287	Global fraud and risk survey	2(46)/17-Parl.	GC(AK)	
25.	9500	2298	Anti Malware Centre	2(54)/17-Parl.	GC(AK)	

THERE IS NO STARRED QUESTION IN LOK SABHA ON 15.03.2017.

2. **Draft Reply must be typed in double space.** File containing the answer to Questions please be submitted latest by **09.03.2017** for onward submission to Hon'ble Minister, MeitY / Hon'ble MOS, MeitY.

3. Use of abbreviations may be avoided and in case they are used, their full form may also be given in the brackets. It has been observed that illegible photo copies of annexure are appended some time. It is, therefore, requested that either original copy or neat, clean or legible copy of the annexures/enclosures may be attached. **Further, it is also requested that a soft copy of the Note for Supplementaries prepared for Starred Questions may please be forwarded to the PS to Hon'ble Ministers at: mljoffice@gov.in and PS to Hon'ble MOS at: mos-mlj@meity.gov.in and ravi.raghav@meity.gov.in.**

4. If reply to any question contains long annexure/tables, etc. such information may please be provided to Parliament Section through USB for facilitating their accurate and speedy translation in Hindi. Alternatively it may be **e-mailed**.

(Vinodpriya)
Section Officer(Parl.)

Deputy Director(Parl.)

Concerned GCs

Copy to: 1. Minister's Office

2. MOS's Office
3. Secretary's Office, MeitY
4. Senior Advisor, MeitY
5. OSD to MOS