

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO 1030

TO BE ANSWERED ON THE 21ST JULY, 2017 (FRIDAY)/ ASHADHA 30, 1939 (SAKA)

Online Frauds

1030. SHRI RAMESH BIDHURI: SHRI SUKHBIR SINGH JAUNAPURIA:
ADV. NARENDRA KESHAV SAWAIKAR: SHRI RAMSINH RATHWA:
SHRI RAM TAHAL CHOUDHARY:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken cognizance of the increase in the cases of fraudulent embezzlement of money through internet/online/ATM/Debit/Credit Cards;
- (b) if so, the details thereof including number of such cases registered and officials found involved in the cases during the last three years and current year, bank and State/Union Territory-wise including Jharkhand;
- (c) whether the Government has drawn a cyber crisis management plan to check cyber frauds in the country and if so, the details thereof; and
- (d) the steps taken/being taken by the Government to check such frauds and protect customers in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): Information provided by Reserve Bank of India (RBI) on frauds related to ATM / Credit / Debit cards & Net banking during the last three years and current year, state-wise & bank-wise is given in Annex A to E.

(c) & (d): Measures initiated by the RBI to prevent cyber related frauds are given below:

- (i) RBI has issued circular on 'Skimming of ATM/Debit/Credit Cards' ,vide No:DBS.Co.FrMC.No.17968/23.10.001/2005-06 dated June 26, 2006, advising banks to take various preventive measures to combat frauds relating to skimming or duplicating of credit cards. The banks, inter alia, were also advised to advise customers not to reveal PIN in response to requests received through e-mail, to periodically verify the transaction history to ensure its correctness and, if any unauthorized transaction was observed it should be immediately reported to the bank and inform the bank if the card is lost or stolen.

- (ii) In January 2016, Central Fraud Registry (CFR) has been operationalized at RBI as searchable online central fraud data base for use by the banks in respect of frauds above Rs.1 lakh. The CFR contains critical aspects/ information, including modus operandi in respect of frauds as reported by the banks and select Financial Institutions (FIs). This data base is helpful to the banks not only during credit decisions but also to know about fraud in various areas of banking including cyber frauds, ATM/debit/ credit card and internet banking.
- (iii) Caution advices are also issued by RBI as and when necessary for preventing and controlling frauds. Three caution advices have been issued recently in connection with (i) Fraud in Mobile Application (CA No. 4097) (ii) ATMs-Large value cash shortages-Malware attacks (CA No. 4087) and (iii) Fraud-Letter of Comfort -Buyers Credit -Misuse of SWIFT messaging system (CA No.4094).
- (iv) RBI has reiterated its instructions vide circular DBS.CO.CFMC.BC.No.6/23.04.001/2016-17 dated September 28, 2016 on funds transfer requirement received through email/fax messages. Banks were advised to strengthen the mechanism put in place by them in this regard and also to adhere to it strictly, including contacting the customer over phone at his registered phone number to ensure genuineness of request of the customer.
- (v) In order to focus more attention on IT related matters, Reserve Bank of India has set up a Cyber Security and IT Examination (CSITE) Cell within its Department of Banking Supervision in 2015. RBI has issued a comprehensive circular on Cyber Security Framework in Banks on June 2, 2016 covering best practices pertaining to various aspects of cyber security. The banks are required, among other things, to have a cyber-security policy, cyber crisis management plan, gap assessment vis-à-vis the baseline requirements indicated in the circular, monitoring certain risk indicators in the area, report unusual cyber security incidents within 2 to 6 hours, ensure board involvement in the matter and robust vendor risk management. The progress of banks in scaling up their cyber security preparedness is monitored.
- (vi) RBI carries out IT Examination of banks separately from the regular financial examination of banks from last year. This report has a special focus on cyber security. The reports have been issued to the banks for remedial action. RBI has also set up Cyber Crisis Management Group to address any major incidents reported including suggesting ways to respond to and recover from the incidents. RBI also conducts cyber security preparedness testing among banks on the basis of hypothetical scenarios with the help of Indian Computer Emergency Response Team (CERT-In). RBI also has set up an IT subsidiary, with a focus, among other things, on cyber security within RBI as well as in regulated entities.

Break up of Credit card/ATM/ Debit card & Internet Banking Frauds during last 4 years (Amount in lakhs)

Period	Credit Cards		ATM/Debit Cards		Internet Banking		No. of frauds	Amount involved (in Rs. lakh)
	No. of frauds	Amount involved (in Rs. lakh)	No. of frauds	Amount involved (in Rs. lakh)	No. of frauds	Amount involved (in Rs. lakh)		
2013-14	7890	5481.59	1307	823.17	303	1495.83	9500	7800.59
2014-15	10382	4231.97	2498	1385.98	203	2445.80	13083	8063.75
2015-16	9849	4597.79	6585	3126.85	34	175.31	16468	7899.95
2016-17	6811	3202.61	6709	3866.89	133	198.43	13653	7267.93
Qtr Apr 2017 to Jun 2017	3153	1024.54	1969	757.62	27	181.28	5149	1963.44
Grand Total	38085	18538.50	19068	9960.51	700	4496.65	57853	32995.66

Bank-wise break-up of Credit Card/ ATM/Debit Card & Internet Banking for the period of three years								
Bank Name	2014-15		2015-16		2016-17		Total	
	No. of Cases	Amt involved in Lakh	No. of Cases	Amt involved in Lakh	No. of Cases	Amt involved in Lakh	No. of Cases	Amt involved in Lakh
AB Bank Ltd	0	0	0	0	0	0	0	0
Abu Dhabi Commercial Bank PJSC	0	0	0	0	0	0	0	0
Allahabad Bank	0	0	0	0	1	0.24	1	0.24
American Express Banking Corp.	1184	1189.67	1023	779.91	1493	810.39	3700	2779.97
Andhra Bank	1	1.79	0	0	1	5.36	2	7.15
Australia and New Zealand Banking Group Limited	0	0	0	0	0	0	0	0
Axis Bank Ltd.	364	279.46	125	661.5	171	447.94	660	1388.9
Bandhan Bank Ltd.	0	0	1	0.21	2	0.85	3	1.06
Bank of America, National Association	0	0	0	0	0	0	0	0
Bank of Bahrain & Kuwait BSC	0	0	0	0	0	0	0	0
Bank of Baroda	6	1842.7	20	65.83	5	103.19	31	2011.72
Bank of Ceylon	0	0	0	0	0	0	0	0
Bank of India	4	5.04	5	37.35	2	2.89	11	45.28
Bank of Maharashtra	2	1.95	2	3.95	1	4.87	5	10.77
Bank of Nova Scotia	0	0	0	0	0	0	0	0
Barclays Bank Plc	0	0	0	0	1	0.58	1	0.58
Bharatiya Mahila Bank Ltd.	0	0	0	0	1	1.17	1	1.17
BNP Paribas	0	0	0	0	0	0	0	0
Canara Bank	2	62.72	2	1.45	1	453.66	5	517.83
Catholic Syrian Bank Ltd.	0	0	4	0.72	5	1.69	9	2.41
Central Bank of India	38	81.49	42	73.49	26	14.2	106	169.18
Citibank N.A.	1487	523.18	1051	526.48	1252	763.75	3790	1813.41
City Union Bank Ltd.	0	0	0	0	0	0	0	0
Coastal Local Area Bank Ltd	0	0	0	0	0	0	0	0
Commonwealth Bank of Australia	0	0	0	0	0	0	0	0
Cooperative Rabobank U.A.	0	0	0	0	0	0	0	0
Corporation Bank	41	135.97	59	76.92	102	61.51	202	274.4
Credit Agricole Corporate and Investment Bank	0	0	0	0	0	0	0	0
Credit Suisse AG	0	0	0	0	0	0	0	0
CTBC Bank	0	0	0	0	0	0	0	0
DBS Bank Limited	0	0	0	0	0	0	0	0
DCB Bank Ltd	0	0	0	0	0	0	0	0
Dena Bank	1	2	0	0	1	1	2	3
Deutsche Bank (Asia)	4	16.98	2	1.56	56	16.79	62	35.33
Dhanlaxmi Bank Limited	7	3.75	5	1.46	2	0.94	14	6.15

Doha Bank Qsc	0	0	0	0	0	0	0	0
Equitas Small Finance Bank Limited	0	0	0	0	0	0	0	0
EXPORT-IMPORT BANK OF INDIA	0	0	0	0	0	0	0	0
Federal Bank Ltd.	3	9.06	2	1.13	5	28.86	10	39.05
FIRSTRAND BANK	7	1.9	0	0	2	1.81	9	3.71
HDFC Bank Ltd.	2260	708.83	2837	948.72	2047	795.7	7144	2453.25
Hongkong & Shanghai Banking Corporation Ltd.	1622	331.39	1263	296.63	726	241.12	3611	869.14
HSBC Bank Oman S.A.O.G	0	0	0	0	0	0	0	0
ICICI Bank Ltd.	3706	1572.54	4973	2272.81	2376	1434.78	11055	5280.13
IDBI Bank Limited	48	30.22	341	179.25	295	137.77	684	347.24
IDFC Bank Limited	0	0	0	0	4	0.75	4	0.75
IFCI LTD.	0	0	0	0	0	0	0	0
Indian Bank	12	52.26	7	8.64	69	122.61	88	183.51
Indian Overseas Bank	1	2.02	0	0	0	0	1	2.02
IndusInd Bank Ltd.	3	15.72	4	47.08	3	33.1	10	95.9
Industrial and Commercial Bank of China Limited	0	0	0	0	0	0	0	0
ING Vysya Bank Ltd.	4	1.02	0	0	0	0	4	1.02
Jammu & Kashmir Bank Ltd.	1	28.07	0	0	1	9.4	2	37.47
JP Morgan Chase Bank, National Association	0	0	0	0	0	0	0	0
JSC VTB Bank	0	0	0	0	0	0	0	0
Karnataka Bank Ltd.	8	10.76	2	0.66	0	0	10	11.42
Karur Vysya Bank Ltd.	0	0	0	0	2	13.26	2	13.26
KBC Bank NV	0	0	0	0	0	0	0	0
Korea Exchange Bank	0	0	0	0	5	5.04	5	5.04
Kotak Mahindra Bank Ltd.	654	114.41	1521	569.38	2754	461.52	4929	1145.31
Krishna Bhima Samruddhi Local Area Bank Ltd	0	0	0	0	0	0	0	0
Krung Thai Bank pcl	0	0	0	0	0	0	0	0
Lakshmi Vilas Bank Ltd.	11	3.05	12	5.21	1	1.06	24	9.32
Mashreq Bank PSC	0	0	0	0	0	0	0	0
Mizuho Corporate Bank,Ltd.	0	0	0	0	0	0	0	0
Nainital Bank Ltd.	0	0	0	0	0	0	0	0
National Australia Bank	0	0	0	0	0	0	0	0
NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	0	0	0	0	0	0	0	0

National Bank of Abu Dhabi	0	0	0	0	0	0	0	0
NATIONAL HOUSING BANK	0	0	0	0	0	0	0	0
Oriental Bank of Commerce	0	0	5	9.34	1	0.25	6	9.59
PT Bank Maybank Indonesia TBK	0	0	0	0	0	0	0	0
Punjab & Sind Bank	0	0	0	0	0	0	0	0
Punjab National Bank	2	0.54	56	35.21	4	7.34	62	43.09
RBL Bank Ltd.	69	70.12	11	43.23	14	21.97	94	135.32
SBM Bank (Mauritius) Ltd.	0	0	0	0	0	0	0	0
Shinhan Bank	0	0	1	1.46	5	2.17	6	3.63
Small Finance Bank	0	0	0	0	0	0	0	0
SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA	0	0	0	0	0	0	0	0
Societe Generale	0	0	0	0	0	0	0	0
South Indian Bank Ltd.	2	2.25	0	0	1	4.01	3	6.26
Standard Chartered Bank	1483	530.78	2905	1073.6	2151	1123.4	6539	2727.78
State Bank of Bikaner & Jaipur	0	0	2	1.18	0	0	2	1.18
State Bank of Hyderabad	10	4.2	0	0	2	0.95	12	5.15
State Bank of India	2	82.41	5	20.13	6	29.79	13	132.33
State Bank of Mysore	0	0	0	0	0	0	0	0
State Bank of Patiala	0	0	0	0	0	0	0	0
State Bank of Travancore	0	0	0	0	11	12.54	11	12.54
Sumitomo Mitsui Banking Corp. Old	0	0	0	0	0	0	0	0
Syndicate Bank	0	0	106	69.6	16	4.91	122	74.51
Tamilnadu Mercantile Bank Ltd.	3	19.59	1	29.5	0	0	4	49.09
The Bank of Tokyo - Mitsubishi UFJ, Ltd.	0	0	0	0	0	0	0	0
The Royal Bank of Scotland N.V.	7	21.66	57	22.75	5	1.7	69	46.11
UBS AG	0	0	0	0	0	0	0	0
UCO Bank	0	0	0	0	3	6.06	3	6.06
Union Bank of India	13	255.02	15	32.71	13	28.74	41	316.47
United Bank of India	0	0	1	0.9	0	0	1	0.9
United Overseas Bank Limited	0	0	0	0	0	0	0	0
Vijaya Bank	3	40.79	0	0	5	44.45	8	85.24
Westpac Banking Corporation	0	0	0	0	0	0	0	0
Woori Bank	0	0	0	0	0	0	0	0
Yes Bank Ltd	8	8.44	0	0	3	1.85	11	10.29
Grand Total	13083	8063.75	16468	7899.95	13653	7267.93	43204	23231.63

**Bank-wise break-up of cyber frauds (Debit/Credit/Internet Banking) for the qtr ended
June 30, 2017**

Sl: No.	Bank name	No. of Frauds	Amount Involved (Rs. Lakh)
1	AMERICAN EXPRESS BANKING CORP.	1086	263.67
2	AXIS BANK LIMITED	48	59.73
3	BANK OF BARODA	2	13.65
4	CANARA BANK	4	32.10
5	CENTRAL BANK OF INDIA	2	62.76
6	CITIBANK N.A	403	175.13
7	CORPORATION BANK	5	0.80
8	DBS BANK LTD.	3	1.25
9	DEUTSCHE BANK AG	3	1.95
10	HDFC BANK LTD.	777	430.88
11	HONGKONG AND SHANGHAI BANKING CORPN.LTD.	463	115.31
12	ICICI BANK LIMITED	515	315.91
13	IDBI BANK LIMITED	115	79.51
14	INDIAN BANK	7	3.57
15	INDUSIND BANK LTD	2	93.50
16	KOTAK MAHINDRA BANK LTD.	1528	238.53
17	PUNJAB NATIONAL BANK	8	2.71
18	RBL BANK LIMITED	9	5.00
19	STANDARD CHARTERED BANK	148	60.12
20	STATE BANK OF INDIA	15	5.93
21	SYNDICATE BANK	1	0.20
22	UNION BANK OF INDIA	4	1.13
23	YES BANK LTD.	1	0.10
	Grand Total	5149	1963.44

ANNEX D

Details of Credit Card, ATM/ Debit Card & Internet Banking frauds for Amount One lakh and above-Statewise								
State Name	2014-15		2015-16		2016-17		Total	
	No. of Cases	Amt involved in Lakh	No. of Cases	Amt involved in Lakh	No. of Cases	Amt involved in Lakh	No. of Cases	Amt involved in Lakh
Andhra Pradesh	14	35.18	35	173.26	31	64.17	80	272.61
Assam	0	0	1	5.98	3	10.63	4	16.61
Bihar	0	0	4	16.46	4	6.5	8	22.96
Chandigarh	3	31.22	3	16.19	7	18.88	13	66.29
Chhattisgarh	1	1.2	4	20.78	1	1.33	6	23.31
Delhi	35	114.27	74	226.33	156	343.61	265	684.21
Goa	3	8.43	8	62.94	0	0	11	71.37
Gujarat	11	275.86	26	70.83	16	53.32	53	400.01
Haryana	187	1132.17	194	684.93	238	827.65	619	2644.75
Himachal Pradesh	0	0	1	1.1	1	1.5	2	2.6
Jammu & Kashmir	2	32.53	0	0	1	9.4	3	41.93
Jharkhand	0	0	2	2.95	9	12.05	11	15
Karnataka	91	433.28	179	477.28	221	916.47	491	1827.03
Kerala	8	22.36	2	2.5	9	45.92	19	70.78
Madhya Pradesh	0	0	5	12.14	4	9.68	9	21.82
Maharashtra	255	675.13	368	1589.63	379	1209.88	1002	3474.64
Orissa	3	9.8	6	7.67	1	6.13	10	23.6
Pondicherry	1	2.75	1	2.54	2	4.52	4	9.81
Punjab	2	7.83	3	12.52	3	26.69	8	47.04
Rajasthan	2	8.61	4	8.54	10	16.35	16	33.5
Sikkim	2	3.05	0	0	0	0	2	3.05
Tamil Nadu	175	354.26	201	373.23	208	438.54	584	1166.03
Uttar Pradesh	20	46.36	39	93.24	37	104.3	96	243.9
Uttaranchal	1	1	3	26.1	5	13.31	9	40.41
West Bengal	24	51.33	15	62.12	19	66.6	58	180.05
Overseas	5	1922.38	13	70.86	7	21.68	25	2014.92
Grand Total	845	5169	1191	4020.12	1372	4229.11	3408	13418.23

**State-wise break-up of cyber frauds (Debit/Credit/Internet Banking) for the qtr
ended June 30, 2017**

Sl: No.	State	No. of frauds	Amount involved (in Rs. Lakh)
1	ANDHRA PRADESH	9	1.82
2	ASSAM	2	0.44
3	BIHAR	3	1.21
4	CHANDIGARH	13	3.09
5	CHHATTISGARH	5	2.81
6	DADRA & NAGAR HAVELI	5	0.17
7	GOA	1	0.49
8	GUJARAT	97	110.19
9	HARYANA	1285	340.55
10	JAMMU & KASHMIR	13	15.40
11	JHARKHAND	3	0.69
12	KARNATAKA	310	103.12
13	KERALA	30	11.56
14	MADHYA PRADESH	18	37.62
15	MAHARASHTRA	1812	524.98
16	NCT OF DELHI	309	171.12
17	ODISHA	10	4.04
18	PUDUCHERRY	4	1.16
19	PUNJAB	25	7.18
20	RAJASTHAN	18	5.53
21	SIKKIM	1	0.22
22	TAMIL NADU	884	312.89
23	TELANGANA	96	195.94
24	UTTAR PRADESH	145	87.52
25	UTTARAKHAND	9	6.76
26	WEST BENGAL	41	16.15
27	OVERSEAS	1	0.79
	Grand Total	5149	1963.44