

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 162
ANSWERED ON MONDAY, FEBRUARY 03, 2020/ MAGHA 14, 1941 (SAKA)

Debit/Credit Card Frauds

162. SHRI MANOJ KOTAK:

Will the Minister of FINANCE be pleased to state:

- (a) whether the debit and credit card frauds have increased in India in international and online purchasing;
- (b) if so, the details thereof and the action taken by the Government to control such frauds;
- (c) whether any action has been taken by the Government to secure the debit and credit card uses; and
- (d) if so, the details thereof along with the other steps taken by the Government to protect the right of the credit and debit card users?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) to (d) As apprised by Reserve Bank of India (RBI), the details of all types of frauds reported in the category “Card/Internet-ATM & Debit cards/Credit cards/Internet banking” reported since 2017-18 are as below:

Year	Number of Frauds	Amount of Frauds (in Rs. crore)
2017-18	34791	168.99
2018-19	52304	149.42
2019-20 (till Sep'19)	30965	100.64

RBI has issued circulars/guidelines from time to time regarding measures to minimise cyber threats related to online transactions and digital payments which, inter-alia, include:

- i. To ensure all active cards by them are EMV Chip and Pin-based.
- ii. RBI's circular on 'Control measures for ATMs – Timelines for compliance' dated 21.6.2018 advises banks to implement various control measures within a time bound manner, including implementation of anti skimming, white listing solution, up-gradation of software and to closely monitor the compliance.

- iii. RBI's Master Circular on 'Frauds-Classification and Reporting', dated 1.7.2015, advises concerned banks to examine the fraud cases and report them to law enforcement agencies, examine staff accountability, complete proceedings against the erring staff expeditiously, take steps to recover the amount involved in the fraud, claim insurance wherever applicable and streamline the system as also the procedures so that frauds do not recur.
- iv. As per RBI's circular on 'Customer Protection – Limiting Liability of Customers in Unauthorised Electronic Banking Transactions' dated 6.7.2017, in case of unauthorised transactions occurring due to contributory fraud/negligence/deficiency on the part of the bank and due to third party breach with customer notifying such unauthorized transaction to the bank within three working days of receiving communication from the bank, he/she is entitled to zero liability. Further, on being notified by the customer, the bank has to credit (shadow reversal) the amount involved in the unauthorised electronic transaction to the customer's account within 10 working days from the date of such notification by the customer (without waiting for settlement of insurance claim, if any).
- v. To provide customers with 24x7 access through multiple channels (at a minimum via website, phone banking, SMS, e-mail, IVR, a dedicated toll-free helpline, reporting to home branch, etc.) for reporting unauthorised transactions that have taken place and/ or loss or theft of payment instrument, such as, card, etc.
