

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO: 2082

ANSWERED ON THE MONDAY, AUGUST 5, 2024/14 SHRAVANA, 1946 (SAKA)

2082. SHRI RAJESH VERMA:

Will the Minister of FINANCE be pleased to state:

(a) the total amount of financial loss caused due to cyber crimes to individuals having accounts in nationalized banks, mainly SBI and private banks during the last five years, yearwise;

(b) the details of the policy of Government to reimburse the financial loss suffered by an individual due to cyber crimes; and

(c) the details of the initiatives taken by Government to create awareness against cyber crimes and to recover the proceeds of money lost due to such crimes?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): As informed by Reserve Bank of India (RBI), the extent of loss due to frauds (₹1 lakh and above), reported by banks under the category - Credit Cards, ATM / Debit Cards and Internet Banking, during the last five financial years (FY 2019-20 to FY 2023-24) is as under:

FY	Extent of Loss (₹ in crores)
FY 2019-20	44.22
FY 2020-21	50.10
FY 2021-22	80.33
FY 2022-23	69.68
FY 2023-24	177.05

(b): To help customers recover loss on account of fraudulent transactions, RBI has issued instructions to banks on limiting the liability of customers in cases of unauthorised electronic banking transactions. The salient features are as under:

(i) Zero Liability: A customer need not bear any loss if the deficiency is on the part of the bank and in cases where the fault lies neither with the bank nor with the customer but lies elsewhere in the system and the customer notifies the bank within three working days of receiving the communication about the unauthorized transaction.

(ii) Limited Liability:

- Where the loss is due to the customer's negligence, the customer has to bear the entire loss until the customer reports the unauthorized transaction to the bank; and
- Where the fault lies neither with the customer nor with the bank and lies elsewhere in the system and the customer reports between four to seven working days of the unauthorized transaction, the maximum liability of the customer ranges from ₹5,000 to ₹25,000, depending on the type of account/ instrument.

(iii) Liability as per Board approved policy: If the unauthorized transaction is reported beyond seven working days, the customer liability shall be determined as per the bank's Board approved policy.

The burden of proving customer liability in case of unauthorized electronic banking transactions shall lie on the bank.

(c): To spread awareness against cyber-crimes, the Government has been taking various initiatives from time to time. These, inter alia, includes cyber safety tips through social media, publishing of information security best practices, organizing cyber safety and security awareness programmes, etc.

RBI and banks have also been organising awareness campaigns through dissemination of short SMS, radio campaign, publicity on prevention of cyber-crime etc. Further, RBI has been conducting electronic-banking awareness and training (e-BAAT) programmes about frauds and risk mitigation.

Indian Computer Emergency Response Team (CERT-In) has been taking various measures to prevent cyber frauds. These include issuance of alerts/ advisories and conducting cyber security mock drills to assess the cyber security posture and preparedness of organisations.

In order to facilitate the citizens to report any cyber incidents including financial frauds, the Ministry of Home Affairs (MHA) has launched a National Cybercrime Reporting Portal (www.cybercrime.gov.in) as well as a National Cybercrime Helpline Number "1930". Further, customers can also report financial frauds on the official customer care website or branches of the banks.
