

GOVERNMENT OF INDIA

MINISTRY OF FINANCE

DEPARTMENT OF FINANCIAL SERVICES

**LOK SABHA
UNSTARRED QUESTION NO. 211**

ANSWERED ON MONDAY, NOVEMBER 25, 2024/AGRAHAYANA 04, 1946 (SAKA)

Fraud in UPI Transactions

211. DR. ALOK KUMAR SUMAN:

Will the Minister of FINANCE be pleased to state:

(a) the number of Unified Payment Interface (UPI) transaction conducted in the country including Bihar and Uttar Pradesh during the last two years and the current year, month-wise and state/UT-wise along with the number of incidents of frauds reported in the UPI cash transactions;

(b) the measures taken by the government for safe and secure UPI transaction and prevention of fraud in the transactions; and

(c) whether the Apex Bank proposes to link UPI with fast payment systems of other countries for payments and if so, the steps taken by the Government for financial sector user for ease of payments?

Answer

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

(a) Reserve Bank of India (RBI) has informed that the Unified Payment Interface (UPI) transactions do not capture the geographical location. However, the UPI transactions conducted in the country including Bihar and Uttar Pradesh during the last two financial years and the current financial year is attached as Annexure-I.

RBI has implemented Central Payment Fraud Information Registry (CPFIR), a web-based payment related fraud reporting tool since march 2020. All the Regulated Entities (RE) are required to report the payment related frauds to the said CPFIR. The year-wise UPI domestic payments frauds reported during the last two financial years and the current financial year is attached as Annexure-II.

(b) In order to prevent payment related frauds including UPI transaction frauds, various initiatives have been taken by the Government, RBI and National Payments Corporation of India (NPCI) from time to time. These, inter alia, includes device binding between customer

mobile number and the device, two factor authentication through PIN, daily transaction limit, limits and curbs on use cases etc. Further, NPCI provides a fraud monitoring solution to all the banks to enable them to alert and decline transactions for fraud mitigation by using AI/ML based models. RBI and Banks have also been taking awareness campaigns through short SMS, radio campaign, publicity on prevention of 'cyber-crime' etc.

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.

Further Department of Telecommunications has launched Digital Intelligence Platform (DIP) and 'Chakshu' facility on Sanchar Saathi portal (<https://sancharsaathi.gov.in>). 'Chakshu' facilitates citizens to report suspected fraud communication received over call, SMS or WhatsApp with the intention of defrauding like KYC expiry or update of bank account / etc.

(c) RBI's Payments Vision Document 2025 has outlined expanding the global outreach of UPI and RuPay cards as one of the key objectives under the 'internationalization' pillar.

In this regard, RBI is currently collaborating with various relevant stakeholders for expanding the outreach of UPI through following modes:

- i. Interlinking of UPI with Fast Payment System (FPS) of other countries for personal remittances on reciprocal basis.
- ii. Acceptance of UPI Apps via QR codes at merchant locations abroad and vice-versa.
- iii. Deployment of UPI-like infrastructure in other countries.

Annexure I

Months	Financial Year					
	2022-23		2023-24		2024-25*	
	Volume (Cr)	Value (Lakh Cr)	Volume (Cr)	Value (Lakh Cr)	Volume (Cr)	Value (Lakh Cr)
April	558.44	9.84	886.33	14.16	1,330.40	19.64
May	594.63	10.40	941.52	14.89	1,403.58	20.45
June	586.29	10.14	933.51	14.75	1,388.51	20.07
July	628.93	10.63	996.43	15.34	1,443.56	20.64
August	658.19	10.73	1058.60	15.77	1,496.30	20.61
September	678.08	11.16	1055.57	15.79	1,504.17	20.64
October	730.54	12.12	1140.88	17.16		
November	730.94	11.91	1123.53	17.40		
December	782.89	12.82	1202.02	18.23		
January	803.86	12.99	1220.30	18.41		
February	753.48	12.36	1210.27	18.28		
March	865.16	14.05	1344.00	19.78		
Total	8371.43	139.15	13112.96	199.96	8,566.52	122.05

**Till Sep,2024*

Annexure II

UPI Domestic Payment Frauds		
Financial Year	No. of incidents (in Lakhs)	Amount Involved (INR Crore)
FY 2022-23	7.25	573
FY 2023-24	13.42	1087
FY 2024-25*	6.32	485

**Till Sep,2024*