

## Legal steps to guard digital payments

Online transactions have spiked post-demonetisation.

The Home Ministry has asked banks and e-wallet firms to furnish details of the extent of financial fraud reported in the past one year as digital transactions picked up after the Union government implemented demonetisation from November 8, 2016 and scrapped old Rs. 500 and Rs. 1,000 notes.

The use of mobile wallets and online transactions has spiked since then.

A high-level committee of the Ministry convened a meeting with officials of banks, e-wallet firms and the Reserve Bank of India on Tuesday to understand the extent of technological misuse and financial frauds committed through digital means.

A senior government official said the Centre was planning to bring changes to the law to check frauds in the financial sector.

Representational data available with the RBI show that the value of prepaid payment instruments increased from Rs. 1,320 crore in November 2016 to Rs. 2,760 crore in September 2017.

By an estimate of security agencies, nearly 10,000 fraud transactions are being reported every month through e-wallet platforms. Pre-demonetisation, the figure stood at 4,000.

On September 19, Home Minister Rajnath Singh reviewed the preparedness of agencies to check financial cybercrimes, and asked security agencies to strengthen surveillance and legal frameworks to check the menace.

### Going unnoticed

"We do not know the extent of fraud yet as many people do not report it as in some cases it is a small amount. We have asked the banks and e-wallet firms to furnish the data of the way it was being done," said a senior government official.

As many as 1,44,496 cybersecurity attacks were observed in the past three years. Information reported to, and tracked by, the Indian Computer Emergency Response Team (CERT-In) shows 44,679 cybersecurity incidents in 2014, 49,455 in 2015 and 50,362 in 2016.

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