Rising Frauds

Improved technology and rise in online/digital transactions but not enough checks and balances in place.

Merchants do not follow strict data sanctity checks.

Customers do not bring fraudulent transactions to the bank's notice on time

Such fraudulent activities have been reported to happen during non-peak and odd hours of the day leaving no room for suspicion.

Customers get to know of such unauthorized transactions happening through their cards quite late as they are unaware of such ongoing credit card frauds or they do not monitor their bank account activities closely.

Inability to identify or take actions on fraudulent transactions

Banks are lagging behind in terms of technological advancements used in the industry. They do not have a fraud detection AI/ML model set up to identify such transactions so that alerts can be sent only to specific customers.

Difficult for the bank to track these data breaches on time to prevent further losses.

Fraudsters use stolen/lost cards and hack private systems to access the personal and sensitive data of many cardholders thus appears to be a genuine transaction.

Banks do not send alerts to notify customers about every transaction

ATMs/POS terminals do not have OTP systems available