

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
LOK SABHA
STARRED QUESTION NO. *473
TO BE ANSWER ON: 05.04.2023

SAFETY OF DIGITAL TRANSACTION PLATFORMS

†*473: SHRI NIHAL CHAND:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether significant increase is being seen in digital payments after its promotion in the country;
- (b) if so, the details thereof;
- (c) whether the Government has conducted any comparative study of India with the rest of the world regarding digital transaction and if so, the details thereof;
- (d) whether the Government has taken assured steps regarding the safety of the digital transaction platforms operating in the country in a large number at present; and
- (e) if so, the details thereof ?

ANSWER

MINISTER OF ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI ASHWINI VAISHNAW)

- (a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NUMBER *473 FOR 05-04-2023 REGARDING SAFETY OF DIGITAL TRANSACTION PLATFORMS

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(a) and (b): Yes, Sir. During the last three years, digital payment transactions have registered tremendous growth in India. Easy and convenient Digital payment modes such as Bharat Interface for Money-Unified Payments Interface (BHIM-UPI), Immediate Payment Service (IMPS), Prepaid Payment Instruments (PPIs), NETC (National Electronic Toll Collection) have registered substantial growth and have transformed digital payment ecosystem by increasing Person to Person (P2P) as well as Person to Merchant (P2M) payments. At the same time existing payment modes such as Debit cards, Credit cards, NEFT (National Electronic Funds Transfer), RTGS (Real-Time Gross Settlement) have also grown at a fast pace. BHIM-UPI has emerged as the preferred payment mode of the citizens and has achieved a record of 753.48 crore digital payment transactions with the value of Rs 12.36 lakh crore in February 2023. The total number of digital payment transactions undertaken during the last three financial years and in the current financial year is as under:

| Financial year (FY) | Total number of digital transaction volume (in crore)[#] | Total number of digital transaction value (in lakh crore) |
|---|--|--|
| FY 2019-20 | 4,572 | 2,953 |
| FY 2020-21 | 5,554 | 3,000 |
| FY 2021-22 | 8,840 | 3,021 |
| FY 2022-23 *(till 23 rd March 2023) | 12,735 | 2,812 |

Note: Digital payment modes considered are BHIM-UPI, IMPS, NACH, AePS, NETC, Debit Cards, Credit Cards, NEFT, RTGS, PPI and others.

* Provisional data

Source: RBI, NPCI and banks

(c): The Reserve Bank of India (RBI) undertook a follow on benchmarking exercise (for the year 2020) to measure India's standing vis-à-vis twenty other countries (including advanced economy countries, Asian economies and BRICS nations) spread across all the continents, as well as the progress since the last exercise (for the year 2017), across payment systems and payment instruments. The exercise sought to (a) arrive at an understanding of the preferences Indians have for making and receiving payments and how these preferences compare with other countries, (b) assess the efficiency of India's payment systems, and (c) measure the progress in the parameters / indicators since the last exercise. The indicators considered in the exercise included various digital payment modes (Credit transfers, Direct Debits, Card Payments, Fast Payment Systems, Large Value Payment Systems, eMoney), Utility bill payment, Mass transit payments, alternate forms of payments, etc. The exercise validated India's progress in Payments Ecosystem with India categorised as leader or strong in respect of 25 out of 40 indicators. The report can be accessed at the following link <https://rbidocs.rbi.org.in/rdocs/PublicationReport/Pdfs/BIPS04062019CE3C72E9873244ED8BAAE9C8FC5955A8.PDF>

(d): Yes, Sir.

(e): Under the provisions of Payment and Settlement Systems Act, 2007, RBI (Reserve Bank of India) granted authorization to NPCI (National Payments Corporation of India) to operate various retail payment systems in accordance with the provisions of the Act and the regulations, directions and guidelines issued thereunder. Over the period NPCI has issued various operating guidelines, circulars and Standard Operating Procedures applicable for all eco-system

participants with respect to areas pertaining to risk management, cyber security, frauds and liability, features etc. to members. The Procedural Guidelines defines the roles and responsibilities, and PSPs (Payment System Providers) liabilities of all the participants, NPCI can impose penalty on the members for violating the said guidelines.

Further, the Government has also undertaken following steps to ensure safety and security of various digital platforms:

- i. Indian Computer Emergency Response Team (CERT-In) issues alerts and advisories regarding latest cyber threats/vulnerabilities and countermeasures to protect computers and networks on an ongoing basis. CERT-In has issued 69 focused advisories on awareness of security aspects of digital payments, from November 2016 to December 2022, that aim at creating cyber security know-how by analyzing the threat vectors and suggesting best practices for the specific area in cyber security for organisations and users.
- ii. CERT-In has formulated a Cyber Crisis Management Plan (CCMP) for countering cyber attacks and cyber terrorism for implementation by all Ministries/Departments of Central Government, State Governments/UTs and their organizations and critical sectors. Guideline documents and templates have been published to assist development and implementation of sectoral Crisis Management Plan. The Indian Computer Emergency Response Team (CERT-In) along with Reserve Bank of India is enabling implementation of CCMP in banks by means of cyber security framework, minimum baselines resiliency requirements and best practices/guidelines. To enable and assess cyber security posture of organizations and effectiveness of CCMP implementation, Cyber security mock drills/exercises are being conducted regularly by CERT-In in Government and financial sector.
- iii. Free Tools released for Citizens: CERT-In has also released free security tools which can be used by citizens to detect threats on mobile and desktops. These are Bot removal tools, USB Pratirodh, AppSamvid and M-Kavach (available at <https://www.cert-in.org.in/>).
- iv. CERT-In is operating incident response help desk wherein incidents like phishing websites which lures victims to divulge sensitive credential information are reported by users and organisations. CERT-In is working in coordination with banks, RBI, Internet Service Providers, Law Enforcement Agencies and international CERTs to track and disable such phishing websites.
- v. CERT-In is issuing advisories for users and organisations to create awareness about cyber frauds and threats and to secure digital payment systems.
- vi. CERT-In is providing tailored alerts to banks and financial sector organizations regarding latest cyber threats and advising countermeasures. Victims require to report cyber crimes and cyber fraud cases to Law Enforcement agencies for investigation.
- vii. In addition to the above, the role played by CERT-In is to provide situational awareness and analysis of fraudulent activities to Indian Cyber Crime Coordination Centre (I4C) and Law Enforcement Agencies for investigation purposes.
