

the Opposition in saying that everything should be done to bring back this money to India because it belongs to us. This is not the issue which should divide the House.”

(b) Efforts have continued to be made in this regard including legislative changes, negotiation and entering into new tax treaties for exchange of information and pursuing information received to determine tax consequences including penalty and prosecution in appropriate cases. Specifically, during the period referred to, India signed the Multilateral Convention on Mutual Administrative Assistance in Tax Matters on 26th January, 2012.

(c) The ongoing efforts have resulted in receiving information about Indians having black money stashed abroad leading to levy of taxes and penalty and launching of prosecution in appropriate cases. It is not possible to state how much black money was brought back from abroad due to these efforts.

Protection of customers from online fraud

197. DR. PRADEEP KUMAR BALMUCHU: Will the Minister of FINANCE be pleased to state.

(a) whether it is a fact that Government is making efforts to protect the customers from online frauds; and

(b) if so, the details thereof, the directives issued by RBI in this regard and the remedial measures being offered to victims?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIMATI NIRMALA SITHARAMAN): (a) and (b) As per the information received from Reserve Bank of India (RBI), instructions have been issued by RBI on Credit/Debit card transactions - Security and Risk mitigation measures to enhance the security of online card transactions and Security and Risk Mitigation measures for electronic payment transactions. The details of the instructions issued are enumerated below:

1. The banks have been advised to provide online alerts for all card transactions (*card present and card not present*), vide, RBI Circular No. RBI/DPSS No. 1501/02.14.003/2008-2009 dated February 18, 2009 and Circular No. DPSS.CO.PD 2224 / 02. 14.003/2010-2011 dated March 29, 2011 with a view to arresting misuse of card/fraudulent activities.

2. The banks have been advised, vide, RBI's Circular No. RBI/DPSS No. 1501/02.14.003 / 2008-2009 February 18, 2009 and Circular No. DPSS. CO. No. 1503 / 02.14.003 / 2010-2011 dated December 31, 2010 to put in place a system of providing additional factor of authentication (2FA) for all card not present transactions using the information which is not available on the card.

3. RBI has also issued Circulars No. DPSS (CO) PD No.1462 / 02.14.003 / 2012-13 dated February 28, 2013 and No. DPSS (CO)PD No.2377 / 02.14.003 / 2012-13 dated June 24, 2013 for securing electronic (online) transactions advising banks to introduce following additional security measures:

- (i) Customer induced options may be provided for fixing a cap on the value / mode of transactions/beneficiaries. In the event of customer wanting to exceed the cap, an additional authorization may be insisted upon.
- (ii) Limit on the number of beneficiaries that may be added in a day per account could be considered.
- (iii) A system of alert may be introduced when a beneficiary is added.
- (iv) Banks may put in place mechanism for velocity check on the number of transactions effected per day/ per beneficiary and any suspicious operations should be subjected to alert within the bank and to the customer.
- (v) Introduction of additional factor of authentication (preferably dynamic in nature) for such payment transactions should be considered.
- (vi) The banks may consider implementation of digital signature for large value payments for all customers, to start with for Real Time Gross Settlement (RTGS) transactions.
- (vii) Capturing of Internet Protocol (IP) address as an additional validation check should be considered.
- (viii) Sub-membership of banks to the centralised payment systems has made it possible for the customers of such sub-members to reap the benefits of the same. Banks accepting sub-members should ensure that the security measures put in place by the sub members are on par with the standards followed by them so as to ensure the safety and mitigate the reputation risk.
- (ix) Banks may explore the feasibility of implementing new technologies like adaptive authentication, etc. for fraud detection.

4. In addition to the above, RBI has been sensitizing banks and general public against the fictitious offers of cheap funds/lottery winnings etc from abroad sent by fraudsters. Various advisories were issued by the Bank cautioning the members of public against responding in any manner to offers of money from abroad.

5. A working group on “Information Security, Electronic Banking, Technology Risk Management and Tracking Cyber Frauds” had been set up by RBI in April 2010. After

obtaining feedback from various stakeholders, RBI *vide* their circular DBS.CO.ITC. BC.No. 6/31.02.008/2010-11 dated April 29, 2011 advised banks to implement the Guidelines based on recommendation of the Working Group. Key areas of focus of the guidelines were on information security, cyber frauds and customer education. The guidelines are fundamentally expected to enhance safety, security, efficiency in banking processes leading to benefits for banks and their customers.

6. RBI has written to banks on January 29, 2013 advising them to spruce up their IT infrastructure to face the challenges arising from potential frauds on account of fictitious offers of cheap funds from abroad, operation of "mule" accounts to further money laundering, change of SIM cards and mobile numbers of customers etc. The letter focused on technology initiatives to be adopted by banks to strengthen fraud prevention.

7. RBI *vide* circular DPSS. PD. CO. No. / 02.14.003 / 2011-2012 dated September 22, 2011 on "Security Issues and Risk Mitigation measures related to Card Present (CP) transactions" has advised the banks to move to secure Card Not Present (CNP) transactions, making it mandatory for banks to put in place additional authentication/validation for all on-line/IVR/ MOTO/recurring transactions etc. based on information available on the credit/debit/prepaid cards.

8. RBI has also issued Master Circular on "Credit card Operations of banks" *vide* DBOD.No. FSD. BC.23/24.01.011/2012-13 dated July 02, 2012. The banks have been advised to set up internal control systems to combat frauds and to take proactive fraud control and enforcement measures. They were also advised to ensure that credit card operations were run on sound, prudent and profitable lines as also fulfill 'Know Your Customers' requirements, assess credit risk of customers, specify terms and conditions in clear and simple language, ensure prompt dispatch of bills, maintain customer confidentiality etc.

Surcharge and cess collection on taxes paid

198. SHRI VIVEK GUPTA : Will the Minister of FINANCE be pleased to state:

(a) the details of cesses and surcharges Government is charging on the tax paid in the tax paid in the country and the collection from them during the last three years;

(b) the details of the status of the schemes for which the cess and surcharge is levied with the amount allocated and spent thereon; and

(c) the details of the share of the cess and surcharge collection out of total tax revenues during the period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRIMATI NIRMALA SITHARAMAN): (a) Details of collection of cesses and