

Intrusion in financial privacy: a big worry for India

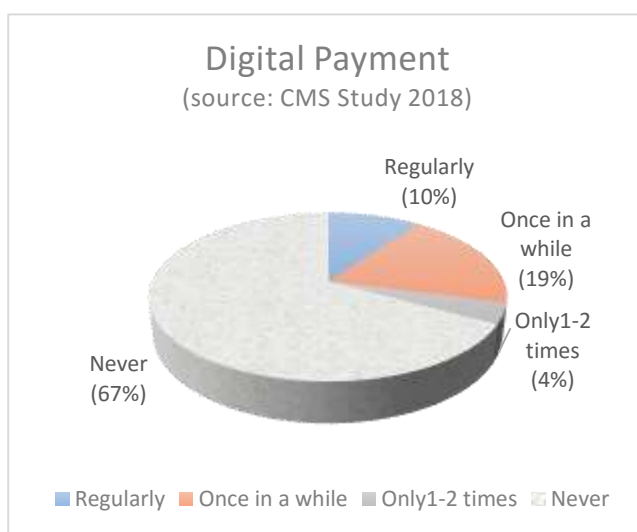
67% never used digital payment mode; 10% received fraudulent phone calls asking for Bank debit card details

Despite steps by Modi government towards encouraging digital payment, 67% across 13 states have never used digital payment mode, as per findings of CMS Study. To add to the government's concern is that one out of every ten persons have received fraudulent calls asking for bank debit card details including PIN (Personal Identification Number), finds the study. No doubt, hesitation among users towards digital transactions are genuine for two prime reasons- unfamiliarity with Apps language and second, fear with regard to safety of transactions made.

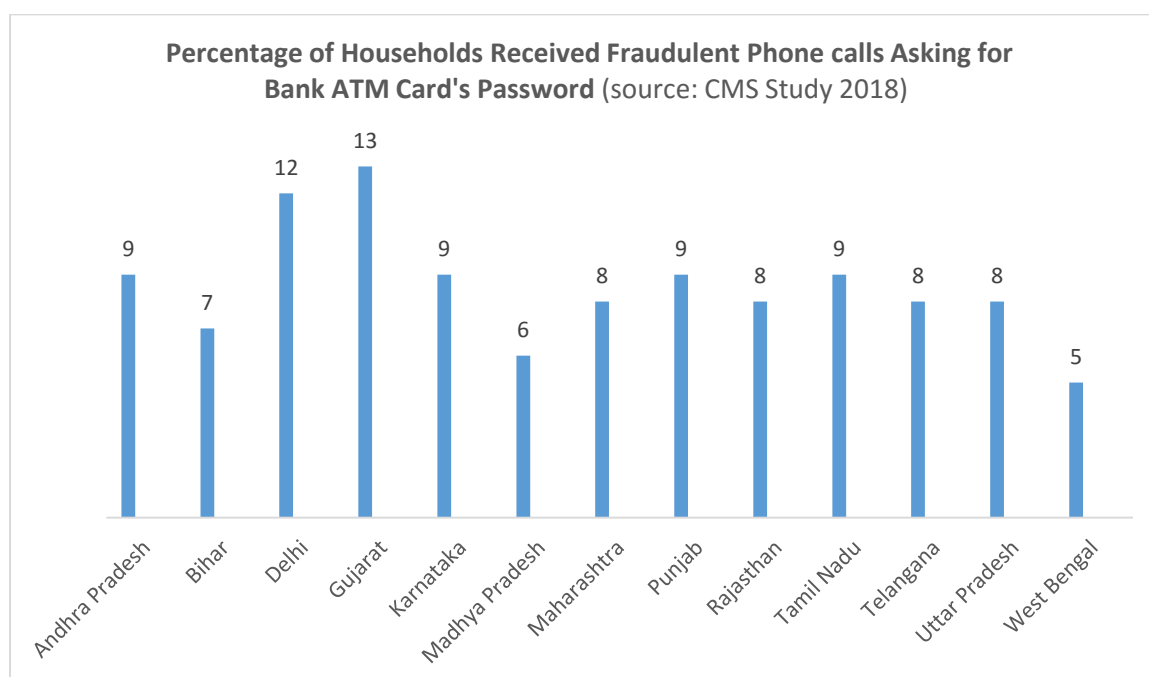
Union government is on a mission mode aimed at 'digital inclusion' of households for direct benefit transfer of subsidies, social security pensions (old age, disability, widow), and scholarships to students. Financial Inclusion through opening of bank accounts too has seen a surge in last 4 years as compared to pre-2014 years, when *Jan Dhan Yojana* for opening of savings bank account, was launched.

Though the population in India having a mobile phone and a savings bank account jumped many folds in last 4 years but only 10% opt for digital payments on a regular basis.

Alok Srivastava, Director, CMS Social said, "One of the biggest fear among citizens with regard to digital transactions is intrusion in financial privacy of citizens by unsolicited persons."



Cyber-crimes have increased. The National Crime Records Bureau (NCRB) report shows that incidence of cyber-crimes (IT Act + IPC sections) is on rise with increase in use of computer and internet- from 3,477 cases in 2012 to 12001 cases in 2016. As per CMS study 2018, around 10% reported coming across such incidents at least once, where they have received fraudulent phone calls asking for the ATM cum debit card details and password/PIN. Srivastava further observed, "CMS Study shows that the states such as Delhi, Gujarat and Maharashtra, where digital payments are made by a higher proportion, also experienced more instances of fake calls."



In absolute numbers, 10% comes to around 20 million (2 crore) in Indian context- a figure no government can ignore. More so, in this initial phase of digital payment in India, wherein behavioural change among people is expected so they go for lesser cash transactions and make digital payment a regular habit. Fast-track redress and strong anti-hacking measures needs to be taken vigorously by the government agencies to dissuade the fear among users as much as possible for increasing the usage of digital financial services.

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