Beware of credit and debit card fraud

You don't need to worry if you have lost money through a credit or debit card fraud because of lack of security from the bank

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From April 2017 to December 2017, 23,865 fraud cases related to credit, debit cards and internet banking were registered, according to RBI data. Photo: Pradeep Gaur/Mint

Mumbai: Scene 1: Your mobile phone rings. When you answer it, you are informed that it is your bank executive. You pay attention to the call. The caller says you have won a contest and to send the money, she needs your debit card and credit card details, your personal identification number (PIN) and card verification number (CVV). What will you do? Many have fallen victim to such calls and given away their details and later realised that money has been stolen from bank accounts.

Scene 2: Your mobile phone beeps. You see multiple bank transaction messages. The bank alerts you about each transaction, but you haven't done any of these transaction and the card is still with you.

These are real-life scenarios that several people have experienced and been duped of thousands, sometimes even lakhs. From April 2017 to December 2017, 23,865 fraud cases related to credit, debit cards and internet banking were registered, according to Reserve Bank of India (RBI) data.

How does it happen?

There are multiple kinds of cyberattacks that take place - phishing, fake apps, fake websites, SIM swap, spoofing, cloning and skimming. In phishing, fake emails or messages asking for bank and credit or debit card information are sent to a customer. In spoofing, a fake website is created to dupe customers. In SIM swap, bank officials can also be part of the fraud. “Such crimes cannot occur without collusion of bank officials and staff of telecom service providers,” said Puneet Bhasin, Mumbai-based cyber law expert and president, Cyberjure Legal Consulting. “Fraudsters helped by bank officials manage to get the same mobile number as that of the victim’s to steal the OTP,” Bhasin said, adding this happens as bank officials leak details such as permanent account number (PAN), Aadhaar, mobile and account number.

What should you do?

You don’t need to worry if you have lost money because of lack of security from the bank. A customer will have a zero liability if the loss is due to negligence of banks, according to RBI. On the contrary, if the loss is owing to your negligence then you will have to bear the loss. For instance, if you have disclosed your bank details, PIN and CVV number, then you will be liable for the loss. In case of any fraudulent transaction, you should immediately call your bank’s customer care and block your debit or credit card that was used for the transaction to avoid any further loss. It is your responsibility to inform the bank within 3 days about a fraudulent transaction, as per RBI guidelines. Next, you have to file a complaint with the bank and at your nearest police station. If you are not satisfied with the response from the bank, you should approach the internal banking ombudsman and can further even go to the consumer court. It is always advisable to register for SMS alert service to get real time updates of transactions. Don’t shares any details related to debit or credit cards, account numbers with anyone. Avoid clicking on emails that seek your bank account, credit and debit card details.