

## Paytm Payments Bank submits list of 3,500 fraud phone numbers to Trai

**Paytm also suggested that telecom operators who sell bulk SMS services should follow stringent KYB process**

**Neha Alawadhi | New Delhi January 24, 2020 Last Updated at 22:25 IST**



To address the issue of rising cyber fraud involving SMS and call scams by using its name, Paytm Payments Bank said it had submitted a list of 3,500 phone numbers to the Telecom Regulatory Authority of India (Trai), the ministry of home affairs, and the India Computer Emergency Response Team (CERT-In).

The bank has also filed a first information report (FIR) against these criminals with the cyber cell for immediate action, emphasising the need for timely and effective legal action.

“We are extremely happy to see the proactiveness shown by Trai and the ministry in this regard. We are committed to ensuring that we block as many fraudsters and will continue to enhance our app security so that there’s no stone left unturned towards safe digital payments experience,” said Satish Gupta, managing director and chief executive of Paytm Payments Bank.

There have been several instances in the recent past of people having been duped of money from their accounts by using Paytm’s name. Fraudsters target customers by asking them to download a

mobile or desktop app to facilitate the know-your-customer (KYC) process, through which they gain access to the victim's PIN. They then proceed to empty out the linked bank account in multiple successive transactions.

Paytm Founder Vijay Shekhar Sharma had tweeted about the fraud asking users to be vigilant and not fall for such scams. Paytm has also put up ways to deal with such fraud on their blog.

The company has also given a list of SMSes and 'shortcodes' to the ministry, Trai, and CERT-in where the name of the company's brand has been falsely used in the sender identification details of SMSes.

Fraudsters send SMSes with shortcodes like PYTM to gain trust of the victim, and then defraud them. A list of shortcodes that need to be blocked as well as the company's correct header "iPaytm" has been submitted with Trai.

The company has requested Trai to prohibit telcos from using or selling any shortcode similar to the word "Paytm" such as "PYTM".

Paytm also suggested that telecom operators who sell bulk SMS services should follow stringent know-your-business (KYB) process. This should include a detailed on-boarding process and proper documentation.

On non-adherence to the processes, there should be a provision of fines and other penal measures. Telecom operators must be required to allow traceability of the source of fraudulent bulk SMSes so that the affected companies can take legal action against the fraudsters, said Gupta.

Paytm also discussed with Trai the need to give financial institutions the authority to raise requests with telcos for the immediate blocking of phone numbers and shortcodes sending fraudulent SMSes.

"The operators should be directed to have stringent control on the issuance of shortcodes for bulk messages to companies. There is also a need to blacklist companies permitting such SMSes to be sent," said Gupta.