

## Webinar on Cyber-crimes in Banking by PDC Chennai on 30<sup>th</sup> November 2021

IIBF PDC Chennai conducted a webinar on 30<sup>th</sup> Nov 2021 on the topic of “cyber-crimes in Banking”. The webinar was inaugurated by Honourable shri Justice K. N. Basha (Retd.) Madras High court and Former chairman, Intellectual Property Appellate Board. The other panel numbers are as under:

1. Shri V. Rajendran – Cyber Law Advocate and chairman, Digital security association of India.
2. Shri M.J. Logesh Babu – Zonal Head, Asian school of Cyber Laws
3. Smt. S. Panchi – Founder and Managing director – YesPanchi Tech Services Private limited.

2. The Guests were initially welcomed by Mr. Biswa Ketan Das CEO with brief introduction about their background with the importance of this webinar in the present circumstances.

3. **Justice K. N Basha (Retd.)** in his opening address welcomed the initiative undertaken by 93-year-old institution like IIBF in this vital area. He explained that the word cyber-crime has not been defined by any statute and various definitions are given by various authorities (CBI/Dictionaries like Britannica). As per CERT (computer emergency Response Team), the cybercrimes attack has increased by 50 times since 2004. The situation is alarming and India is second largest internet users after China and online frauds are increasing.

Installing skimmer devices in ATM machines/Phishing mail/ stealing of OTP and other sensitive customer’s Bank information through mobile phones is being stolen. Even though, investigative authorities’ capability in cyber-crimes have improved, there is an urgent need to deploy sophisticated technologies including AI (artificial Intelligence) should be implemented to curb this crime.

4. But more than the above, creating awareness among the public is the primary importance of the Banks. The banks have to advise the public the need to take precautions in dealing with the digital Products. The Indian Institute of banking and finance has taken this nice initiative at this crucial juncture.

5. **Mr. Rajendran (Panel Member)** has mentioned that 30<sup>th</sup> November (the webinar date) is being celebrated as “Computer Security Day” and it is appropriate that IIBF has chosen the day to conduct the webinar. He has explained that the Banking growth for the 100 years and technological development in the banking industry in India is unprecedented.

The physical Banking has transformed into mobile banking and through various distribution channels. He cited various inadequacies in regulations/ambiguity in laws/system vulnerabilities/poor risk management/ignorant user/negligent user/rationalisation/assumed ease of use. He explained that as per Niti Aayog report on Digital Banks 2021, the following types of banks were discussed:

(Front-End Only) Neo-banks

Full-Stack (Licensed) Digital banks

(Autonomous) unit of traditional banks

He further stated that in future, the physical presence of a Bank may not be required. The faceless banking era has come into existence and the crimes and modus operandi are also different. The banking institutions has to carry out massive awareness among public and no public can abstain from these technological digital products for long.

He further informed that as per the amended IT security Act 2008, digital evidence can be presented in the court of law and the need for modification in the laws to suit the changing circumstances. He requested the participants to have the online complaint number handy and the first one hour is the golden hour for the investigating authority to retrieve the lost money due to cyber-crime.

6. **Mr. Logesh Bapu**, has spoken about the recent trends in cyber-crimes in Banking. He advised that the mobile has transformed into a primary device for an individual for their banking operations and cautioned the participants not to forward or click any images which shall steal your data from your mobile device. Only 5% of the population knows what to do and what not to do with mobile device. He emphasised the need for protecting the mobile of the children also.

He explained recent ransomware attack and the ransom was sought by Bitcoins. He added that that the criminals are finding loopholes for future cyber-crime attacks. As we store lot of information in our mobile, our laziness is creating lot of problems for us. For using the mobile app, the awareness should be thought by educating the customer at frequent intervals.

7. **Ms. Panchi** explained that while selling the products to the public, the suitability and appropriateness of the customer should be taken into the consideration. She emphasised that without user awareness no technology will protect the customer. She has also noted that the customer awareness/education initiatives as suggested by the Gopalakrishna committee should be implemented.

**The Main takeaways in the webinar is as under:**

- **In the faceless banking era, the customer is not under the control of the Bank**
- **Hence the customer should also be equipped to do safe banking through self-help.**
- **Creating awareness among customers is very important.**
- **Banks should regularly conduct awareness campaigns to the customers.**
- **Banks can use staffs for resource persons to educate the customers.**
- **Awareness activities should be done an ongoing basis through various modes.**
- **The main focus of the awareness campaign should be the customer should be aware of the security concerns and respond accordingly.**
- **Suitability and appropriateness of the digital product should be done before selling a digital product to a customer.**