

## **Understanding UPI related Frauds and How to Protect Yourself**

Digitization in India has significantly simplified day-to-day life, especially through services like UPI (Unified Payments Interface), which allow instant money transfers using smartphones. However, this ease has also led to a surge in UPI fraud cases, especially linked to online loans and phishing scams.

### **What is UPI Fraud?**

UPI fraud involves fraudulent activity that takes place during UPI-based transactions. While UPI has revolutionized digital payments, it has also exposed users to various scams. Common types of UPI frauds may include-

1. **Phishing:** Fraudsters send fake messages/ emails or impersonate the company to steal UPI PINs, passwords, and OTPs.
2. **Malware:** Harmful software secretly steals login credentials or financial data.
3. **Money Mule:** Scammers use unsuspecting people to transfer illicit funds through UPI accounts.
4. **SIM Cloning:** Duplication of a victim's SIM card to hijack their mobile banking access.
5. **Vishing:** Scammers impersonate officials over calls to extract money and confidential information.

### **UPI Scams in Loan Repayment Context**

Fraudsters may implement various methods to cheat loan customers of financial institutions. They approach the customers representing themselves as the employee or agent of the financial institution and require the customers to make the payment towards the loan or any service taken by such customers from the financial institutions through following methods-

- **Phishing Links:** Fraudsters may send fake links or messages pretending to be from a Company or loan provider, asking for UPI details or loan repayment information
- **QR Code Scams:** Fraudsters might use fake QR codes that redirect payments to their accounts instead of the legitimate loan provider.
- **Fake Apps:** Scammers create fake apps that mimic legitimate loan apps to trick users into sharing information and making transactions.
- **Money Request Scams:** Scammers may create fake money requests that, if accepted, will debit the customer's account.

### **How to Prevent UPI Fraud**

1. **Avoid Unsolicited Requests:** Never share PINs, OTPs, or passwords over calls or messages. Company will not initiate contact to request sensitive information. If you receive a call, email, or message asking for your password, PIN, or other personal details, it's likely a scam. Ignore random calls/messages asking for personal info or app downloads. Never share your UPI PIN or OTP.

2. **Use Official Channels:** Only interact with the Company through your registered mobile number and email address via its official websites, mobile application or customer service numbers to ensure the security and authenticity of communications.
3. **Secure Online Transactions:** Secure your devices and connections when accessing online banking and avoid using public Wi-fi.
4. **Monitor Accounts:** Regularly check statements and SMS alerts.
5. **Verify the Source:** Before sharing any information, always verify the identity of the person or entity requesting it. Scammers often impersonate legitimate institutions to trick users into revealing sensitive details.

### **Preventive Measures while making loan repayments to Fincfriends:**

To protect yourself from UPI loan repayment scams, follow these important guidelines:

- A. Contact the Company directly using the official website or customer service helpline to confirm the legitimacy of any message or request.
- B. Do not act on messages or links unless you are sure they are from an authorized source (for example, check the domain of the email).
- C. If you are a victim of a UPI fraud, prompt action is crucial to recover lost funds and prevent further fraud:
  1. Immediate Action:
    - Intimate the Company right away to inform about the fraud.
    - Notify the UPI app or payment service provider (e.g., Google Pay, PhonePe).
  2. Report via National Cyber Crime Portal:
    - Visit [cybercrime.gov.in](https://cybercrime.gov.in) to file an official complaint.
    - Call the helpline at 1930 for immediate assistance.
  3. Report any suspected fraud communication received within last 30 days on 'Chakshu' platform of Department of Telecommunications (DoT) at <https://sancharsaathi.gov.in/sfc/>
  4. File a Complaint via NPCI
    - Go to the NPCI website and navigate to UPI > Dispute Redressal Mechanism.
    - Choose "Transaction" under "Complaint".
    - Fill out the form with required details: transaction ID, bank, UPI ID, amount, date, email.
    - Escalate the complaint if unresolved, possibly to the Banking Ombudsman.

UPI is a powerful tool, but like all technology, it requires awareness and vigilance to stay safe. Be cautious, verify before you trust, and stay informed.