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4. Voice biometrics technology can help financial institutions to prevent cyber frauds in the country. Explain.

Reserve bank of India highlights cyber frauds caused $100mn loss/day over last 7 years. Cyber frauds has risen 23.69% in 2021-22 compared to 2020-21. Usage of emerging technologies like voice biometrics may help in reducing cyber frauds in financial Institutions.

Reasons for increasing frauds

1. Increased use of digital payments, telephone bankings online banking. - It is projected that, digital payments compound Annual Growth rate to increase 13.66% by 2027. 40-45% people are using digital format for payment

Implications

1. Rising lossess for financial institutions
2. Increasing cases in law enforcement agencies

Voice Biometrics Technology.

1. Global adoption of Smartphone - the biometric based security is growing But it is 'vulnerable to deepfake'

Voice biometrics - using unique characteristics of voice as identification. That is Digital voiceprint can be compared with ~~to~~ customer's voice to ensure authenticity.

Advantages in Financial Institutions

1. Increases security based on knowledge based authentication

2. passwords - are more to breach. eg: 81% of password breach is due to weak passwords. voice biometrics on other hand, is difficult to copy → highly challenging. to breach.

HSBC bank in 2019 - 1st one to use voice biometric

- Results shows - 50% reduction of financial fraud.

3. Economical → cheaper and. requires less / no special device and is accurate.

Way forward

Though the technology is not 100% foolproof comparing technology like Face Assessment, it ensures accuracy. Beyond this, technology can also be used in police investigation for quick decisions