Science & Technology · GS - III

“Discuss the major cybersecurity challenges faced by India’s banking sector. Suggest measures to strengthen customer data protection.”

EXAM YEAR	PAPER	SUBJECT
DAILY PRACTICE 21/10/2026	GS - III	Science & Technology

MARKS	WORD LIMIT
10	~150 words

Answer Hint

Data breaches, phishing, dark web, weak security practices, encryption, multi-factor authentication, regular security audits, RBI guidelines, CERT-In, incident reporting, customer awareness, accountability.

Model Answer

Introduction:

Digital banking has improved financial inclusion and convenience, but it has also increased risks related to cyberattacks and customer-data breaches.

Main Body:

The reported exposure of nearly 4,000 SBI customer records on the dark web highlights the potential risks to financial privacy. Leaked account details and personal information can facilitate phishing, identity theft and financial fraud. Such incidents can undermine public trust in digital banking. Banks should strengthen encryption, multi-factor authentication, access controls and continuous security monitoring. Regular cybersecurity audits, timely incident reporting, effective investigation and coordination with agencies such as CERT-In are also essential. Customers should use strong passwords, avoid suspicious links and promptly report unauthorised transactions.

Conclusion:

A secure banking ecosystem requires robust technology, effective regulation and informed customers to protect financial data and maintain trust in digital services.

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