



Perspective on Fraud prevention

Fraud Management Challenges



- **Fraud management – unprecedented importance**
- **Rapid growth in Telecom**
- **Highly complex environment**
- **Incidence across all revenue streams and network elements**
- **Similar frauds across the world**
- **Increased reliance on managed services**
- **Experience indicates requirement of Improved processes and robust detection mechanisms**



Revenue assurance Manager = Fraud Manager ?



Begins with Revenue stream mapping

Each revenue stream is plotted against the network elements involved in its generation

Supporting processes are mapped

Potential risk is recognised

Check points are identified

Controls surrounding the check points evaluated for effectiveness



Bottom up approach

Applicable for known frauds

Knowledge of known frauds applied to mitigate the risk of fraud in new products, service offerings and network elements to develop preventive measures

Done at three successive stages:

- Product development stage
- Testing and implementation stage
- Post launch margin analysis

Approach to Fraud Management



Top Down Approach

“To catch a thief set a thief”

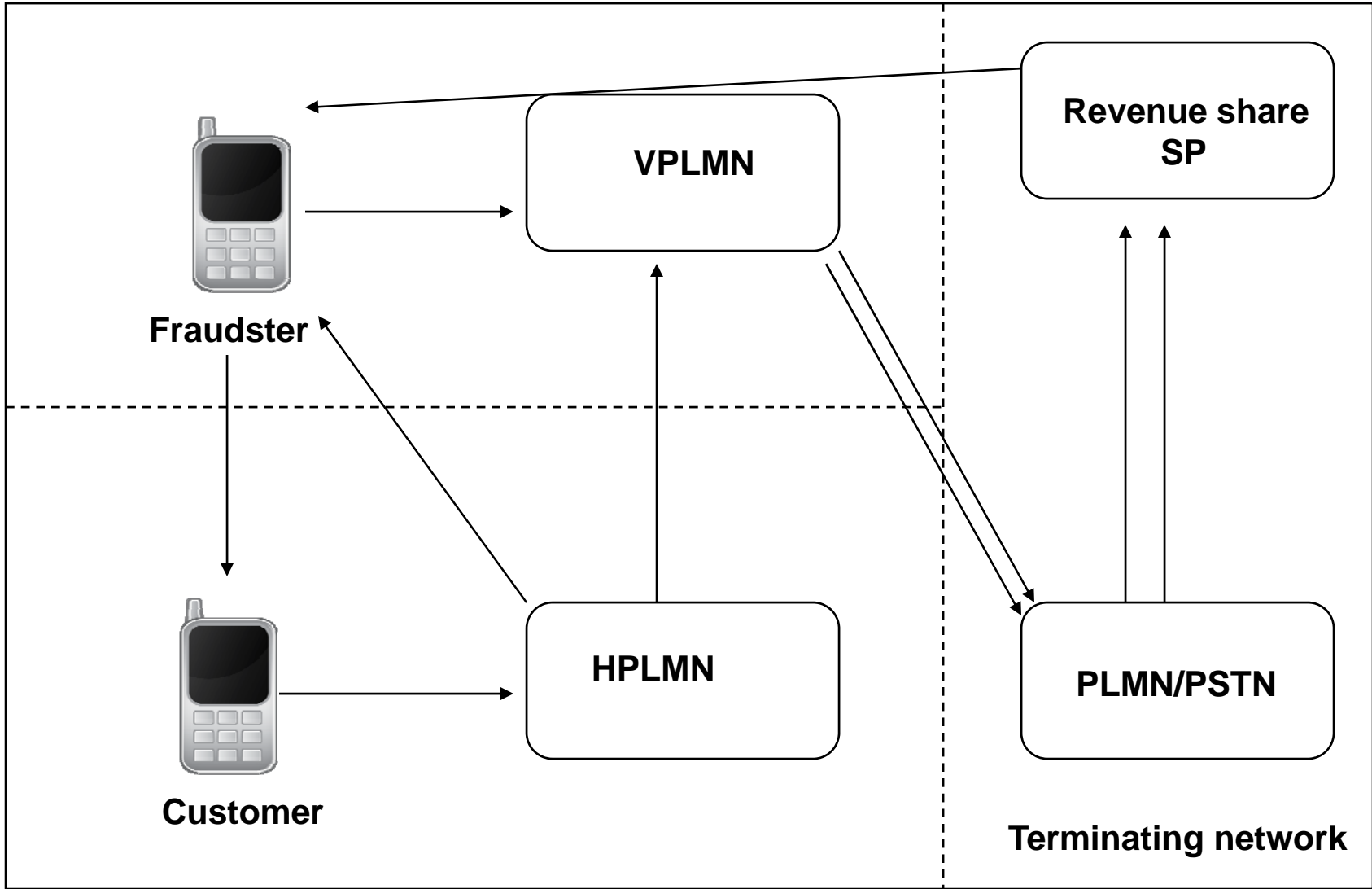
Proactive approach to deal with previously unknown fraud

Risk of fraud mapping of the various network elements as well as revenue streams to proactively anticipate their vulnerability to fraud.

Controls and delectability is ascertained

Measures to mitigate the risk identified

IRSF





As HPLMN

Ensure monitoring of HUR

Trending of TAP Ins

Processes around identity thefts

As VPLMN

Trending of destination ILD MOU

Trending of TAP outs

Inroamer CDR Alarms

Ensure HUR sharing As per timelines in AA13



Customer gives a disconnection request at service point

The number is suspended

After some time the number gets reactivated along with a Sim Exchange

The exchanged sim is handed over to a fraudster

The new sim is misused in roaming network by a fraudster



Process corrections

Sim exchange request processed only on submission of POI and POA

New Sim sent only on the registered customer address

Confirmation taken from the customer on alternate contact no.



- **International Roaming SMS fraud by Hacking SS7 Network**
- **Interconnect routing frauds**
- **Data usage fraud**
- **IRFS through Missed call**
- **Virtual topup fraud through system hacking**
- **Unauthorized access to systems**



- **USSD based call generation**
- **Misuse of capacity on SMSC for Bulk SMS**
- **Call routing frauds**
- **Recharge coupons**
- **Cloned SIM**



Data and Information sharing

- **Telecom has proved its tremendous potential. However certain issues need to be addressed**
- **Need for a collaborative effort by all operators and solution providers to jointly combat fraud**
 - **Proactive information sharing**
 - **Circulate incidence and nature of fraud**



THANKYOU