

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
RAJYA SABHA
UNSTARRED QUESTION NO-1496
ANSWERED ON- 20/12/2022

ROBBERIES OF BANK ATMs

1496. SHRI RYAGA KRISHNAIAH

Will the Minister of FINANCE be pleased to state:-

- (a) whether there has been an increase in the incidents of robberies from Bank ATMs in the last three years;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of number of cases involving fraudulent withdrawal of money from various banks through ATMs;
- (d) whether Government has formulated any policy to check/prevent such theft/fraud;
- (e) if so, the details thereof, and if not, the reasons therefor; and
- (f) the action taken by Government to strengthen the security in the Bank ATMs to prevent such incidents?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(DR. BHAGWAT KARAD)

(a) to (b): As per Reserve Bank of India (RBI) data, number of incidents of robberies and the amount involved from Bank ATMs reported by Scheduled Commercial Banks (SCBs) in the last three years has declined. Year-wise details of number of incidents and amount involved are as below:

(Amount in crore ₹)		
FY	Incidents	Amount
2019-2020	95	9.14
2020-2021	41	4.45
2021-2022	28	3.82

(c) to (f): As per RBI data on frauds reported by SCBs under the category “Card/Internet- ATM/Debit Cards”, the amount involved in such frauds, based on the year of occurrence, has declined from Rs. 116 crore in the financial year 2019-20 to Rs. 76 crore in the financial year 2020-21 {year-on-year (Y-o-Y) decline of 34.5%} and to Rs. 68 crore, in the financial year 2021-22 (Y-o-Y decline of 10.5%). Also, the number of such frauds, based on the year of occurrence, has declined from 38,669 cases in the financial year 2019-20 to 31,472 cases in the financial year 2020-21 {year-on-year (Y-o-Y) decline of 18.6%} and to 23,177 cases, in the financial year 2021-22 (Y-o-Y decline of 26.3%).

RBI has issued Master Direction on Frauds in 2016, whereby banks are required to frame internal policy for fraud risk management and fraud investigation function, duly approved by their respective Boards. Further, as per the said direction, the fraud risk management, fraud monitoring and fraud investigation function must be owned by the bank's CEO, Audit Committee of the Board and the Special Committee of the Board.

Comprehensive steps taken in order to strengthen security in the Bank ATMs and to enhance security of digital payment transactions, including those of card transactions, online transactions *etc* include, *inter alia*, the following:

- (i) RBI has advised banks from time to time to review and strengthen the security arrangements at their branches and ATMs to deal with instances of robbery *etc.* and for dealing with risk perceptions emerging from such incidents. These include coverage of ATM sites by CCTVs, verification of credentials of private security guards, ensuring adequate training of security staff posted at ATMs, *etc.*
- (ii) Display of posters in bank ATMs and branches to spread awareness against frauds.
- (iii) To provide customers with 24x7 access through multiple channels (at a minimum *via* website, phone banking, SMS, e-mail, IVR, a dedicated toll-free helpline, reporting to home branch, *etc.*) for reporting unauthorised transactions that have taken place and/ or loss or theft of payment instrument, such as, card, *etc.*
- (iv) Sharing information about trending fraud patterns through social media as a part of awareness campaign.
- (v) enabling all ATMs for processing EMV chip and PIN cards;
- (vi) mandating PIN entry for all ATM transactions;
- (vii) conversion of magnetic strip card to EMV chip and PIN cards;
- (viii) restricting international usage by default and enablement of the same only after specific mandate from the customer;
- (ix) certification of merchant terminals;
- (x) Capping the value/mode of transactions/beneficiaries;
- (xi) mandating enablement of online alerts for all transactions.
