

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
**LOK SABHA**

**UNSTARRED QUESTION No. 703**

To be answered on Friday, December 14, 2018/Agrahayana 23, 1940 (Saka)

**ATM Frauds**

703. SHRI RAJESH VERMA:

SHRI OM BIRLA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has taken cognizance of the fact that the issues faced by common people viz. transactional hassles, ATM frauds, siphoning off money from bank by cloning and phishing of card and stealing of sensitive personal information have been increasing in recent times;
- (b) if so, the steps taken by the Government to address these issues;
- (c) whether the Government intend to initiate specific steps towards formalization of a dedicated common 24x7 helpline with a view to resolving all queries related to dispute settlement and fixing of liability and accountability; and
- (d) if so, the details thereof and if not, the reasons therefor?

**Answer**

**The Minister of State in the Ministry of Finance  
(SHRI SHIV PRATAP SHUKLA)**

(a) to (d) As per Reserve Bank of India's (RBI), circular on 'Customer Protection – Limiting Liability of Customers in Unauthorised Electronic Banking Transactions' dated 6.7.2017, in case of unauthorised transactions occurring due to contributory fraud/negligence/deficiency on the part of the bank and due to third party breach with customer notifying the bank within three working days of receiving communication from the bank regarding the unauthorised transaction, the customer is entitled to zero liability

Reserve Bank of India (RBI), vide its circular dated 21.6.2018 on 'Control measures for ATMs – Timeline for compliance', advised banks to initiate immediate action to implement the control measures for ATM, including up-gradation of software in a time bound manner and to closely monitor the compliance.

Further, RBI, vide its circular dated 27.8.2015 on 'Security and Risk Mitigation Measures for Card Present and Electronic Payment Transactions – Issuance of EMV Chip and PIN Cards', advised banks to ensure that all active cards issued by them are EMV Chip and Pin based by December 31, 2018.

Further, vide the circular of RBI dated 6.7.2017 as mentioned above, banks are advised 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.

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