

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 2425
ANSWERED ON MONDAY, JULY 8, 2019/ASHADHA 17, 1941 (SAKA)

ATM CARD CLONING FRAUDS

2425. SHRI PRABHUBHAI NAGARBHAI VASAVA:
SHRI P.R. NATARAJAN:

Will the Minister of FINANCE be pleased to state:

- (a) the details of the number of cases of ATM Card cloning fraud registered across the country during each of the last three years and the current year, State-wise including Gujarat and Tamil Nadu;
- (b) whether the cases of ATM Card cloning fraud are increasing year by year across the country, if so, the details thereof and the reasons therefor;
- (c) the details of the number of cases have been solved so far;
- (d) whether the ratio of solved cases is very less and if so, the reasons therefor; and
- (e) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

- (a) to (e) As apprised by Reserve Bank of India (RBI), the data about online frauds (ATM/Debit Card, Credit Card and Internet Banking) is given in **Annexure**. However they have informed that specific data on card cloning and the details of solved number of cases is not available with RBI.

Measures taken to prevent online frauds by RBI are as follow:

- (i) *Vide* RBI's Master Circular on 'Frauds-Classification and Reporting', dated 1.7.2015, concerned banks are advised to examine the fraud cases and report them to law enforcement agencies, examine staff accountability, complete proceedings against the erring staff expeditiously, take steps to recover the amount involved in the fraud, claim insurance wherever applicable and streamline the system as also the procedures so that frauds do not recur.
- (ii) As per RBI's 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 such unauthorised transaction to the bank within three working days of receiving communication from the bank, he/she is entitled to zero liability. Further, on being notified by the customer, the bank has to credit (shadow reversal) the amount involved in the unauthorised electronic transaction to the customer's account within 10 working days from the date of such notification by the customer (without waiting for settlement of insurance claim, if any).
- (iii) RBI, *vide* its circular dated 21.6.2018 on 'Control measures for ATMs – Timeline for compliance', has 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.

- (iv) RBI has advised banks to ensure all active cards issued by them are EMV Chip and Pin-based.
- (v) Vide 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.
- (vi) RBI is running the awareness campaign under the banner of 'RBI Kehta Hai' on safe digital banking which inter-alia include:
- Not to share password/pin/OTP received through SMS.
 - Act swiftly on alerts received on transactions, which customer have not initiated or not authorized.
 - Practicing safe mobile banking, such as awareness on benefits of registering mobile number with bank for instant alerts.
 - Not storing important banking data in mobile.
 - Use only verified, secure and trusted website.
 - Avoid banking transactions on free networks,
 - Change PIN regularly.
 - Blocking ATM card, Credit Card and prepaid card immediately if it is lost or stolen.

Annexure to Lok Sabha Unstarred Question No. 2425 for 8.7.2019

State-wise data on frauds reported under "ATM/Debit Card/Credit Card/Internet Banking" by Scheduled Commercial Banks and selected FIs based on Date of Reporting for last 3 years (amount Involved Rs 1 lakh and above)						
State	2016-17		2017-18		2018-19	
	No. of Frauds	Amount involved (Rs. In crore)	No. of Frauds	Amount involved (Rs. In crore)	No. of Frauds	Amount involved (Rs. In crore)
Andaman & Nicobar Islands	-	-	-	-	4	0.09
Andhra Pradesh	31	0.64	5	0.16	7	0.15
Arunachal Pradesh	-	-	2	0.08	-	-
Assam	3	0.11	68	1.37	21	0.60
Bihar	4	0.07	5	0.13	17	0.33
Chandigarh	7	0.19	4	0.06	9	0.18
Chhattisgarh	1	0.01	4	0.12	4	0.12
Goa	-	-	2	0.04	10	0.31
Gujarat	16	0.53	23	8.39	39	0.76
Haryana	238	8.28	415	12.94	295	9.09

Himachal Pradesh	1	0.02	2	0.03	1	0.01
Jammu & Kashmir	1	0.09	6	0.19	2	0.04
Jharkhand	9	0.12	3	0.04	14	0.35
Karnataka	221	9.16	147	7.17	102	2.23
Kerala	9	0.46	13	0.31	17	0.93
Madhya Pradesh	4	0.10	11	0.61	11	0.16
Maharashtra	379	12.10	728	19.54	638	15.62
Manipur	-	-	-	0.00	2	0.05
Meghalaya	-	-	1	0.02	2	0.03
Nagaland	-	-	2	0.03	1	0.01
NCT Of Delhi	156	3.44	196	9.56	242	6.71
Odisha	1	0.06	5	0.24	13	0.27
Puducherry	2	0.05	1	0.02	1	0.03
Punjab	3	0.27	23	0.46	18	0.39
Rajasthan	10	0.16	13	0.90	21	0.84
Sikkim	-	0.00	-	-	-	-
Tamil Nadu	208	4.39	222	40.85	214	10.54
Telangana	-	-	54	3.34	39	1.33
Tripura	-	-	1	0.02	-	0.00
Uttar Pradesh	37	1.04	55	1.66	77	2.64
Uttarakhand	-	-	11	0.18	12	0.19
Uttaranchal	5	0.13	-	-	-	-
West Bengal	19	0.67	29	0.98	28	17.11
Overseas	7	0.22	8	0.13	5	0.26
Grand Total	1372	42.2911	2059	109.561	1866	71.3791

Source: RBI