

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

STARRED QUESTION No. *313

Answered on Monday, March 16, 2020/Phalguna 26, 1941 (Saka)

ATM Thefts

*313. SHRI KHAGEN MURMU:
SHRI SHANKAR LALWANI:

Will the Minister of FINANCE be pleased to state:

- (a) whether the incidents of ATM thefts/looting by cutting ATMs with gas cutter, etc. are increasing in the country;
- (b) if so, the details of the number of such incidents which took place during the last three years and the current year and the amount of loss suffered by the banks as a result thereof, bank-wise;
- (c) whether the Government has issued any guidelines to all banks directing them to take concrete measures to check ATM thefts;
- (d) if so, the details thereof and if not, the reasons therefor; and
- (e) the other steps taken/proposed to be taken by the Government for ATMs security?

Answer

THE FINANCE MINISTER (SMT. NIRMALA SITHARAMAN)

(a) to (e) A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. *313 (13th Position) for 16th March, 2020 by SHRI KHAGEN MURMU AND SHRI SHANKAR LALWANI, MPs, regarding “ATM Thefts”

(a) to (b) As informed by Reserve Bank of India (RBI), data on 'Burglary, Dacoit, Robbery and Theft in ATMs/ In Branch/ In Transit' for Scheduled Commercial Banks (SCBs) and the selected Financial Institutions (FIs) for the last three financial years and the period up to December 2019 of current financial year is as follows:

2016-17		2017-18		2018-19		2019-20 (Upto Q3)	
No. of Incidents	Amount Involved in Rs. Crore	No. of Incidents	Amount Involved in Rs. Crore	No. of Incidents	Amount Involved in Rs. Crore	No. of Incidents	Amount Involved in Rs. Crore
996	65.29	927	44.25	1302	68.45	1092	53.93

Source: Reserve Bank of India (RBI)

(c) to (d) RBI vide its circular dated 14.6.2019 on “Security Measures for ATMs” has instructed all banks to ensure the following:

- i. All ATMs to be operated for cash replenishment only with digital One Time Combination (OTC) locks.
- ii. All ATMs to be grouted to a structure (wall, pillar, floor, etc.), except for ATMs installed in highly secured premises such as airports, etc. which have adequate CCTV coverage and are guarded by state / central security personnel.
- iii. Banks are to roll out a comprehensive e-surveillance mechanism at the ATMs to ensure timely alerts and quick response.

(e) RBI has advised banks to, inter-alia, take the following steps to augment the safety and security at ATMs:

(i) RBI, vide its circular on ‘Enhancing Security of Card Transactions’ dated 15.1.2020, has advised the banks to provide the following facilities to the card holders:

- facility to switch on / off and set / modify transaction limits (within the overall card limit, if any, set by the issuer) for all types of transactions – domestic and international, at PoS / ATMs / online transactions / contactless transactions, etc.;

- the above facility on a 24x7 basis through multiple channels - mobile application / internet banking / ATMs / Interactive Voice Response (IVR); this may also be offered at branches / offices;
 - alerts / information / status, etc., through SMS / e-mail, as and when there is any change in status of the card.
- (ii) RBI, vide its circular on ‘Control measures for ATMs – Timelines for compliance’ dated 21.6.2018 have advised banks to implement various controls within a time bound manner, including implementation of anti skimming, white listing solution, up-gradation of software and to closely monitor the compliance.
The Government has also instructed the banks to comply with the timelines prescribed by the RBI for upgradation of software for ATMs and to monitor the progress.
- (iii) To ensure all active cards issued by them are EMV Chip and Pin-based.
- (iv) 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.
- (v) 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.
- (vi) 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).
