

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES

LOK SABHA
UNSTARRED QUESTION NO- 1195

ANSWERED ON MONDAY, JULY 28, 2025/ SRAVANA 6, 1947 (SAKA)

Incidents of ATM Theft/Fraud

1195. DR. BACHHAV SHOBHA DINESH

Will the Minister of FINANCE be pleased to state:-

(a) whether the Government has taken cognisance of Report of Reserve Bank of India on Trend and Progress of Banking in India 2023-24 which stipulates that total frauds during April-September stood at 18,461 involving Rs. 21,367 crore compared to 14,480 cases involving Rs. 2,623 crore in the comparative period of last financial year;

(b) whether any remedial measures have been taken by the Government to check increasing incidents of ATM theft;

(c) whether the Government has taken cognisance of increasing trend of ATM card skimming fraud in which criminals use a device to steal credit or debit card information from ATM users;

(d) if so, whether the Government has taken any remedial measures in this regard and if so, the details thereof; and

(e) whether the Government has issued any directive mandating all banks to enforce extra security measures to prevent ATM skimming and if so, the details thereof and if not, the reasons therefor?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI PANKAJ CHAUDHARY)

(a): As per Reserve bank of India (RBI) report on Trend and Progress of Banking in India 2023-24, frauds based on the date of reporting, involving amount Rs. 1 lakh and above, the number of fraud cases during April-September (2024-25) stood at 18,461 involving Rs. 21,367 crore as compared to 14,480 cases involving Rs. 2,623 crore for April-September (2023-24).

The increase in frauds during the half year (April-September) 2024-25 is mainly due to re-examination and reporting afresh 59 fraud cases involving Rs. 9,997 crore, pertaining to previous financial years which were earlier withdrawn by banks due to non-compliance of the Hon'ble Supreme Court judgement dated March 27, 2023, and have been re-examined and reported afresh by banks during the current financial year after ensuring compliance with the above judgement.

As per RBI data, frauds based on the date of occurrence, involving Rs. 1 lakh and above, the number for FY 2023-24 stood at 34,121 cases involving an amount of Rs. 4,893 crore which decreased to 10,175 cases involving an amount of Rs. 1,037 crore for FY 2024-25. Thus, there is a declining trend in fraud occurred in the last 2 years.

(b): RBI, *vide* the circular on “Control measures for Automated Teller Machines (ATMs) – Timeline for compliance” dated 21.6.2018, advised banks to take various measures to strengthen security of ATMs. These measures, *inter alia* include - enabling Basic Input Output System (BIOS) passwords, disabling Universal Serial Bus (USB) ports, disabling auto-run facility, applying the latest patches of operating system and other software, terminal security solution, time-based admin access, implementing anti-skimming and whitelisting solution, upgrading ATMs to supported versions of operating system, *etc.*

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 Closed-Circuit Televisions (CCTVs), verification of credentials of private security guards, ensuring adequate training of security staff posted at ATMs, *etc.*

Banks are required to submit a quarterly Return on theft (including ATM theft) to Department of Supervision, RBI. The data thus collected is shared with Regional Offices of RBI, and the matter is discussed with respective State authorities during the State Level Security Committee (SLSC) meetings.

(c): As per RBI annual report 2024-25, frauds under the category of digital payment (card/internet) based on the date of reporting, involving Rs. 1 lakh and above, the number for FY 2023-24 stood at 29,082 cases involving an amount of Rs. 1,457 crore which decreased to 13,516 cases involving an amount of Rs. 520 crore for FY 2024-25. Thus, there is a declining trend in card/internet fraud reported in the last 2 years.

(d) and (e): As a risk mitigation measure, RBI has issued guidelines to all Regulated entities (REs) regarding migration from magnetic stripe cards to EMV chip and pin-based cards.

Banks in India and the White Label ATM operators were advised to ensure that all the existing ATMs installed/operated by them are enabled for processing of EMV Chip and PIN cards by September 30, 2017. All new ATMs shall necessarily be enabled for EMV Chip and PIN processing from inception.

Comprehensive steps have been taken to enhance security of card transactions, online transactions *etc.*, and to reduce ATM banking frauds which include, *inter alia*, the following:

- RBI has issued Guidelines dated 31.12.2019 on Cyber Security Controls for third party ATM Switch Application Service Providers (ASPs).
- RBI has issued Master Direction on Digital Payment Security Controls on 18.2.2021. As per this direction, banks have been advised to put in place necessary controls to protect the confidentiality and integrity of customer data, and processes associated with the digital product/services offered by them.
- In terms of RBI circular CO.DPSS.POLC.No. S-227 / 02-10-002/ 2022-23 dated May 19, 2022, all banks, ATM networks and White Label ATM Operators (WLAOs) may provide the option of Interoperable Card-less Cash Withdrawal (ICCW) at their ATMs. The absence of need for a card to initiate cash withdrawal transactions would help in containing frauds like skimming, card cloning, device tampering, *etc.*
- Display of posters in bank ATMs and branches to spread awareness against frauds.
- 24x7 access through multiple channels (*via* website, phone banking, Short Message Service (SMS), e-mail, Interactive Voice Response (IVR), toll-free helpline, reporting to home branch, *etc.*) for reporting unauthorized transactions that have taken place and/ or loss or theft of payment instrument, such as, card, *etc.*
