



BANK EMPLOYEES FEDERATION OF INDIA

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Circular No. 25/2018

To All Affiliates/Office Bearers/CC/GC Members

Dear Comrades,

Fraud at ATMs.

On the recent frauds at ATMs that have come to light, we have addressed a letter to the Chief General Manager, Reserve Bank of India, Central Office, Mumbai on 9th instant, text appended. All State Units are requested to meet the respective Regional Director of RBI in a deputation and submit a memorandum on similar lines at the earliest.

With greetings,

Yours faithfully,



(PRADIP BISWAS)
GENERAL SECRETARY

Text of the letter dated 09.08.2018 addressed to the Chief General Manager, RBI

“We are deeply concerned at the alarming rise of fraudulent withdrawals of money from the accounts of banks’ customers through ATMs. The report as appeared in the media suggests that the miscreants, taking advantage of unmanned ATMs, cloned the card details of the customers by using and applying scheming device on ATMs to perpetrate their criminal activities. It may be recalled that few years back some of the banks including State Bank of India had to reissue several lacs debit cards for malware related security breach that cost customers financially.

We are disturbed to note that the banking industry as a whole seems to have taken a policy decision to dispense with posting of security guards at their ATMs round the clock. A large number of ATMs remains unmanned all through while some of the ATMs are provided guards either in the daytime or at night leaving the rest of the time without security personnel. Such situation has contributed to alarming rise in fraudulent withdrawals through ATMs besides retrenchment of thousands of ATMs security personnel who had been guarding the ATMs for several years even more than a decade. Some State Governments have advised banks to redeploy security guards to ensure secured operation of ATMs by customers.

Our organisation while fighting this menace of retrenchments, expressed concerns about the safety and security of the account operation by the customers in an unmanned ATM, and we took up the matter with different authorities.

The policy of maintaining ATMs without security personnel by banks contravenes the policy of Reserve Bank of India [RBI] communicated from time to time to avoid security breach of customer operating ATMs. The banks cannot escape the responsibilities to ensure safe and secured environment for customers operating ATMs. You will kindly appreciate that one of the pre-conditions of such environment is to deploy security personnel to the ATMs. The policy of RBI has been endorsed and reiterated by the concerned ministry in the floor of the Parliament. Notwithstanding such policy position, the banks, in its desperate move to go along with unmanned ATMs, trample down the policy. The media report indicates that in the context of nature of crimes on ATMs, the E-surveillance fails to prove to be deterrent to such type of frauds. The deficiency in effective compliance of RBI instructions by banks has to be removed.

In the above context, we would request you to look into the matter and may kindly be pleased to issue directions to the authorities of the banks to deploy security personnel round the clock to all unmanned ATMs without further delay”.