

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

STARRED QUESTION NO:452  
ANSWERED ON:23.12.2005  
COUNTERFEIT CREDIT CARDS QUESTION  
Nikhil Kumar Shri

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the use of counterfeit credit cards has led to sizeable loss to the public sector banks in the country;
- (b) if so, the details thereof for the last three years;
- (c) whether the Government/Nationalized Banks have adopted any policy to check such frauds; and
- (d) if so, the details thereof ?

**Answer**

FINANCE MINISTER (SHRI P. CHIDAMBARAM)

(a) to (d) :- A statement is laid on the Table of the House.

STATEMENT FOR LOK SABHA STARRED QUESTION NO. 452 FOR 23RD DECEMBER, 2005 REGARDING COUNTERFEIT CREDIT CARDS, TABLED BY SHRI NIKHIL KUMAR, M.P.

(a) & (b):- Reserve Bank of India (RBI) have reported that a few instances have come to their notice where credit cards have been counterfeited/duplicated by using illegal technological means. Banks are reporting, individually, cases of frauds involving Rs. 1 lakh and above to RBI. The specific data on frauds committed by using counterfeit credit cards, as reported by Public Sector Banks, during the calendar year 2004 and upto end of November, 2005, is as under :-

Name of the bank	No. of instances (in lakhs)	Amount involved
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SBI Cards & Payment Services Pvt. Ltd.	5	9.36
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Andhra Bank	1	19.50
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(c) & (d) :- Banks have, inter alia, been advised by RBI vide circular dated 12th May, 2001 to set up internal control systems to combat frauds such as: fraud at application stage, misuse of lost/stolen cards and cards not received by genuine applicants, counterfeit/ altered cards etc. Fraud prevention committees/task forces are in existence in individual banks which formulate ways to prevent frauds and take proactive fraud control and enforcement measures.