

- Bringing down the Non-performing Assets.
- No tangible/realizable securities are available to cover the debt.
- Legal action takes unduly long period.

Reserve Bank of India (RBI) had advised the banks that all possible steps to recover the dues should be taken and if there are no further prospects of recovering the debts, the decision to write-off may be taken in the larger interest of the bank, subject to such safeguards/conditions and reporting system as their Boards may prescribe.

RBI has stated that Annual Financial Inspection for the years 2009 and 2010 did not reveal any major adverse features in the area of write offs by the said banks.

#### **Inquiry into sudden changes in Sensex**

†1267. SHRI RAMCHANDRA PRASAD SINGH:

SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Securities and Exchange Board of India (SEBI) is conducting an inquiry of the alleged institutions responsible for unnecessary and sudden rise and fall in share prices during past months in the country;

(b) if so, the number of institutions that have come under the scope of enquiry; and

(c) the names of such domestic and foreign institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) The securities market regulator, SEBI, and Exchanges maintain constant vigil in the market, irrespective of the levels of Indices. Nothing has come to the notice of SEBI to suspect any irregularity in the recent fall, as it is not uncommon for markets to witness corrections after a sharp bull run. Hence, SEBI has not initiated any specific probe into movement of Sensex during the last few months since November, 2010.

(b) Does not arise in view of reply to part (a) above.

(c) Does not arise in view of reply to part (b) above.

#### **Introduction of chip based ATM cards**

1268. SHRIMATI SHOBHANA BHARTIA: Will the Minister of FINANCE be pleased to state:

(a) whether a panel set up by the Reserve Bank of India (RBI) has proposed that banks should shift to chip based ATM cards from the existing magnetic strip ones and upgrade the vending machines;

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†Original notice of the question was received in Hindi.

(b) if so, whether the frauds from ATM cards/machines has increased in the past few months;

(c) if so, the details thereof;

(d) whether the magnetic strip on ATM cards can be easily tampered with; and

(e) if so, by when chip based and tamper proof ATM cards would be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Reserve Bank of India (RBI) has reported that A working group on "Information Security, Electronic Banking, Technology Risk Management and Tracking Cyber Frauds" had been set up by RBI in April, 2010. The group among its various recommendations has suggested that chip based ATM Cards may be used as an alternative to magnetic strip based cards as a measure to counter the risks of skimming of ATM cards.

The details incidents of fraudulent withdrawal of money/theft/robbery from ATM machines reported during the 2008, 2009 and 2010 by banks are furnished in table below:-

Year	Number of Incidents (Rs. in lakhs)	Amount involved
2008	34	139.52
2009	41	294.86
2010	67	269.42

Thus, it can be seen from the above that while in terms of number of incidents there has been a steady rise, the amounts involved after registering increase in 2009, have declined in 2010.

(d) and (e) It has also been reported that tampering of magnetic strips on ATM cards has not come to the notice of RBI. However, there have been few instances of copying of magnetic strips of ATM Cards through a machine and duplication of the same on another card through a process called skimming.

However, no time frame has been prescribed for the introduction of chip based cards by the banks.

#### **Recommendations of interministerial group on inflation**

†1269. SHRI RAVI SHANKAR PRASAD:

SHRI RAMCHANDRA PRASAD SINGH:

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†Original notice of the question was received in Hindi.