

NPCI/ NFS/ OC No. 94/2013-14

August 27th, 2013

To

All Member Banks of National Financial Switch (NFS)

Dear Sir/Madam,

Removal of Access Lock from ATM Door

In the recent past, there have been quite a few cases of skimming frauds at ATMs. In this connection, NPCI had called for a meeting of NFS member banks represented by Risk Management officials and representatives from ATM manufacturers on 11th July 2013. The main agenda of the meeting was to discuss and suggest possible control measures to mitigate such frauds.

One of the step which was discussed was the removal of 'Access Lock' from the ATM door. At present, some of the member banks have an 'Access Lock' installed at the door of their ATM premises wherein the cardholder is required to swipe his magnetic stripe card to access the ATM premises. While this was introduced by member banks to ensure that only cardholders access the ATM premises, it has also increased the possibility of fraudsters installing skimmers at such 'Access locks' and the resultant card data theft.

The issue was further discussed in detail in the NFS Steering Committee meeting held on 20th August 2013 and it was approved by the Steering Committee that NFS member Banks be advised to remove such 'Access Locks' from the ATM door. This will help to mitigate skimming frauds at ATM premises by reducing the exposure of track data of cards on non - secure card readers used as 'Access Lock'. Members should also ensure that the 'Access Lock' section on the ATM door is properly sealed so as to prevent installation of any such skimming device.

NFS Member Banks are hereby advised to remove such door 'Access Locks' from ATM premises and ensure that the activity is completed by 31st December 2013.

Thanking you,

Yours faithfully,


Ram Sundaresan
Head - NFS