

RBI cautions against fraud in the name of KYC updating

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The Reserve Bank of India (RBI) on Monday cautioned individuals against sharing bank account login details, personal information, copies of know-your-customer (KYC) documents, card information, PIN, password and OTP, etc. with unidentified persons or agencies.

The central bank further advised that such details should not be shared through unverified or unauthorised websites or applications.

According to the central bank, it has received complaints or reports about customers falling prey to frauds being perpetrated in the name of updating KYC of bank accounts.

"In case they receive any such requests, customers are requested to get in touch with their bank/branch," RBI said in a notification.

RBI highlighted that the usual modus operandi in such cases include receipt of unsolicited communication, such as, calls, SMSs, emails, etc., by customer urging him/her to share certain personal details, account/login details/ card information, PIN, OTP, etc. or install some unauthorised/unverified application for KYC updation using a link provided in the communication.

Such communications are also reported to carry threats of account freeze/ block/closure. Once customer shares information over call/message/unauthorised application, fraudsters get access to customer's account and defraud him/her.

The central bank also clarified that while the regulated entities are required to undertake periodic updating of KYC, the process has been simplified to a large extent.

Earlier, RBI had advised regulated entities that in respect of customer accounts where periodic updation of KYC is due and pending as on date, no restrictions on operations of such account shall be imposed till December 31, 2021, for this reason alone, unless warranted under instructions of any regulator/ enforcement agency/court of law, etc.