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Indian call center workers charged with Citibank fraud

Twelve arrested, including three ex-employees of outsourcing company

News Story by John Ribeiro

APRIL 07, 2005

[\(IDG NEWS SERVICE\)](#) - BANGALORE, India -- Former employees of a call center in Pune, India, were arrested this week on charges of defrauding four Citibank account holders in New York, to the tune of \$300,000, a police official said.

The three former employees of Mphasis BPO, the business process outsourcing operation of Bangalore software and services company Mphasis BFL Group, are charged with collecting and misusing account information from customers they dealt with as part of their work at the call center, according to Sanjay Jadhav, chief of the cybercrime cell of the Pune police.

"Either in goodwill or on false pretenses, they also obtained the [personal identification numbers] from these account holders in the course of their work," Jadhav said. The three former employees and their accomplices then used the services of SWIFT (Society for Worldwide Interbank Financial Telecommunication) to transfer funds from these accounts to their own accounts and fake accounts that were created for this purpose in Pune, he added.

Mphasis officials declined to comment on the matter. The Pune operation of the company runs a call center for New York-based Citibank N.A., a subsidiary of Citigroup Inc.

The police acted on a complaint from Citibank, which was alerted when account holders noticed



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suspicious transactions in their accounts, Jadhav said. Citibank officials weren't immediately available for comment.

Police arrested 12 people, three of whom were employees of Mphasis BPO in Pune until December last year. When they quit their jobs, the three employees carried with them the details of the four accounts and used a number of subterfuges, including false e-mail accounts and account details to transfer funds into accounts in Pune, Jadhav said. "We caught one of them on Monday when he came to a bank in Pune to inquire about one of the accounts," Jadhav said. "After that, we were able to arrest the others."

The outsourcing of call center and other business processes from the U.S. and the U.K. to Indian companies has been criticized by many organizations, including U.S and U.K. workers' unions, which complain that members are losing jobs as a result of offshore outsourcing. One of the key issues that has been raised is the danger of data theft and misuse.

The threat of data theft and misuse is no higher in India than in other countries, including the U.S., according to the National Association of Software and Service Companies in Delhi. The organization maintains that Indian outsourcing companies have adequate security systems in place.

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