

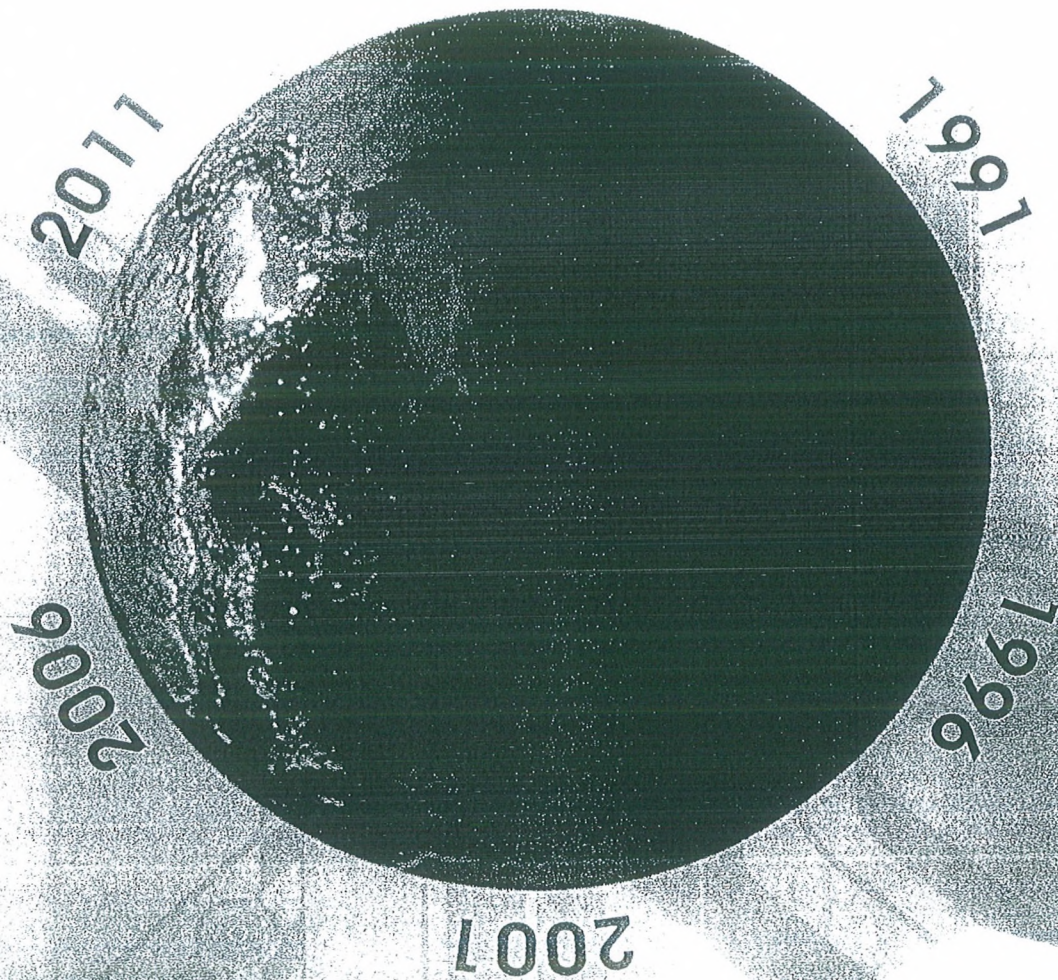
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KRISHNAPURAM



GLOBALIZATION & CONSUMER PROTECTION

Editor
Dr. R.P.C.S. RAJARAM

CONTRIBUTORS

V.Vimala
Research Scholar
Kuvempu University

Dr.K.S.Sarala
Faculty
Sahyadri Arta and Commerce College

INTRODUCTION

The fraud commonly includes theft, corruption, conspiracy, embezzlement, money laundering, bribery and extortion. Fraud essentially involves using deception to dishonestly make a personal gain for oneself and/or create a loss for another. Although definitions vary, most are based around these general themes. Fraud can mean many things and result from many varied relationships between offenders and victims.

PROFILE OF SYNDICATE BANK

Syndicate Bank was established in 1925 in Udupi, the abode of Lord Krishna in coastal Karnataka. The progress of Syndicate Bank has been synonymous with the phase of progressive banking in India. Spanning over 80 years of pioneering expertise, the Bank has created for itself a solid customer base comprising customers of two or three generations. The Bank has been operating as a catalyst of development across the country with particular reference to the common man at the individual level and in rural/semi urban centers at the area level. The Bank is well equipped to meet the challenges of the 21st century in the areas of information technology, knowledge and competition. The Bank has launched an ambitious technology plan called Centralized Banking Solution (CBS) whereby 500 of its strategic branches with their ATMs are being networked nationwide over a four year period.

SYNDICATE BANK, BHADRAVATHI BRANCH - A BRIEF PROFILE

In Bhadravathi town, Syndicate Bank was started during 1964. Earlier, it was started in the name of People Co-operative Bank in Bhadravathi and later on Syndicate Bank acquired this bank. Today, 12,000 depositors are taking services of this branch and among them 5,000 customers have taken loans. 650 people are using ATM facility, 95 Self Help group A/C are opened with 24 groups taking loan

from this branch. This bank is under the CBS system and by adopting this system bank is able to cut their transaction cost and giving speed services to the customers. The branch has 17 staff members, comprising of 6 officers, 7 clerks and 4 attenders.

SYNDICATE BANK - FRAUD BANKING

The Syndicate bank has been made many attempts to measure the true extent of fraud, but compiling reliable statistics around fraud is not easy. There is no single reason behind fraud and any explanation of it needs to take into account various factors.

Beside the above frauds, the following factors also recently have increased in the banking activities;

- Refund of Non Traveling third party A/C
- Name Wrongly Added as Negative for Loan Approval
- Improper Service
- Delaying in the Crediting of Cheques
- Advertisements for Recruitment of Clerical Staff
- Non Recovery of failed ATM Transaction Money.
- Wrong Entry in the Pass Book
- Charging Service Charges on DD more than as mentioned in the Website

LITERATURE REVIEW

The review in the following paragraphs is limited to only those studies which are relevant to the objectives of the present study.

Gustav Brunello et.al (2003) in their work Shunt Capacitor Bank Fundamentals and Protection studied the design, grounded Wye-Connected banks and bank protection. FMCBC Recommended Practice: Bank Account Fraud Protection, (2005) in this report, stated in brief about

bank account fraud protections considering the policies for the development of the banking activities. It also includes internal controls and procedures to prevent cheques fraud, positive pays services and bank accounts internal control. Nicolee Dixon, (2005) in his research work entitled Identity Fraud (Queensland Parliament Library) discussed how to identify the frauds, types of identity frauds with examples, impacts and consequences.

Sal Perri (2006) in his research paper Technological innovations fuels identity theft fraud epidemic stated how to identify the fraud and theft, skimming credit cards, spoofing, medical identity theft, methamphetamine and identify theft, victims of theft and the future predictions about the fraudulent activities in the banking sector. CIMA (2008) in this report entitled Fraud Risk Management – A guide to good practice described the fraud – its extent, patterns and causes, risk management, fraud prevention, fraud detection, responding to fraud, anti-fraud strategy, and the law relating to fraud. Ray Anderson, (2005) in his paper The Mechanics Bank Ensures System Protection and Improves Quality of services with AppSense studied the background of the Mechanics Bank, reactive security fixes in a resource-draining environment, resolving security and performance issues, reduced maintained and help desk burden.

OBJECTIVES OF THE STUDY

The following constitute the objectives of the study:

- To understand the frauds and thefts in banks;
- To align the current issues in Bank Account frauds in Syndicate Bank, Bhadravathi branch;
- To highlight fraudulent activities in the Syndicate bank;
- To analyze the frauds protection measures for their customers in the Syndicate Bank;
- To know the difficulties in identifying the frauds in bank accounts; and
- To offer suggestions to prevent the bank account frauds and thefts in the banks to reap maximum benefit to both the customers and bankers to improve their efficiency in performing the banking activities in the emerging economy.

SCOPE OF THE STUDY

The current study focuses on the bank account frauds and the theft in the Syndicate Bank in Bhadravathi Branch, Shimoga District. This present study covers 50 customers of Syndicate bank. It provides the information about the bank account frauds and thefts involved in the banking transactions.

HYPOTHESIS OF THE STUDY

• H_{a0} : There is no significant relationship between bank account frauds and thefts in the banking transactions between banker and customer

• H_{a1} : There is significant relationship between bank account frauds and thefts in the banking transactions between banker and customer

METHODOLOGY USED

For the collection of the primary data structured questionnaires have been used and an exclusive survey was conducted in Bhadravathi town limit.

The primary data are collected by conducting the personal interviews in the selected bank and by survey method by preparing the questionnaires based on the objectives of the study. The secondary data have been mainly drawn from various magazines, journals, newspapers, articles, textbooks, reports on HR and the data available on the banks web sites.

STATISTICAL ANALYSIS, TOOLS AND TECHNIQUES

Chi-Square (X^2 - test) is used for testing the hypothesis and to find out the significance of bank frauds and thefts in the banking transaction in Bhadravathi town limit, Shimoga district. This section analyses the network system issue of the bank account frauds among the customers and preventive measures provided by the banks to their customers.

FINDINGS OF THE STUDY

“It is evident that the mistake is always the same - fraud was never considered a possibility. Fraud is always obvious to the fraudster’s colleagues after the event”.

- The fraudulent activity in the banking sector is due to the money laundering and non- accountability and other institutional factors are also responsible for the frauds in the banking transactions;
- The need for money is increasing day – by – day, as a result the crime rate with respect to the banking activities is also gradually increasing in present days;
- Existence of organized crime rate in the banking transaction in the Syndicate bank is increasing
- Awareness of gap in the existing procedures has been observed
- Lack of de- relection of duty or lack adaisical approach

RECOMMENDATIONS

After carrying out the survey and analyzing the whole data, some grey areas are identified. They are presented below:

- Frauds should be detected by following systematic methods like whistle blowing hotline, internal tip-off, law enforcement investigation, changes in personnel duties, corporate security and risk management in the banks;

- Fraud risk assessment and design specific tests to detect the significant potential frauds identified through the risk assessment;
- Use of control/assessment panel made up of representatives, to ensure that more than one person is involved in drawing up the specifications;
- Introduction of fraud policy and ethics policy statements;
- Constantly review all anti-fraud policies and procedures;
- Establishing sound operational control procedures;
- Developing appropriate information and communication system;

CONCLUSION

To sum up, it's that the mind set and awareness that should be increased which will enable an organization to stop the incidence of fraud before it becomes catastrophic. Fraud in the banking sector has become a phenomenon which needs a drastic resolution so as not to cripple that sector of the economy. The threat of fraud can come from inside or outside the organization, but the likelihood that a fraud will be committed is greatly decrease if the potential fraudster believes that the rewards will be modest, that they will be detected or that the potential punishment will be unacceptably high. Fraud prevention and fraud detection both have a role to play and it is unlikely that either will fully succeed without the other. Therefore, it is important that organizations consider both fraud prevention and fraud detection in designing an effective strategy to manage the risk of fraud. In the final analysis banks should endeavor to avoid the lack of daily balancing of transactions, lack of deterrent punishment of staff involved in fraud, doing more than one job which are incompatible and the use of passwords by unauthorized personnel.

CONTRIBUTORS

RAVISHANKAR M.H
Lecturer
Alvas College

Dr. VIDYA SHANKAR M.H
Assistant Professor
Sahyadri Science College

V. VIMALA
Faculty Member
Kuvempu University

INTRODUCTION

The human sensitivity has revealed an urge for mobility leading to a measure of Society's progress. The history of this mobility or transport is the history of civilization. Moving persons or things from the originating point to the destination, 'Transporters' perform one of the most important activities, at every stage of advanced civilizations. Where roads are considered as veins and arteries of a nation, passenger and goods transported are likened to blood in circulation, enlivening economic activity of the Country. And Passenger Road Transport Service (PRTS) is an essential concomitant of economic development and it must keep pace with the growing requirement.

Passenger transport services were regulated by the District level police authorities, prior to the coming in to force of the Motor Vehicles Act, 1939, by issue of permits, known as free permits, enabling bus operators to ply their vehicles in different directions in the District in a day wherever passenger loads were available.

OBJECTIVES OF THE STUDY

The following are the objectives are:

01. To analyze the present marketing strategy adopted by TCS, Koppa.
02. To fill the gap between desired and actual services being provided by TCS to its Passengers
03. To collect and analyze the opinions regarding the company service facilities and
04. To analyze the respondents opinion with respect to traveling experience and expectations in passenger transportation services.

SCOPE OF THE STUDY

Knowing passengers needs and preferences in transportation services is vital to many people. Among them, the beneficiaries are the researcher himself, TCS Koppa, other private/public transport services, general public and others who are interested in the field of Passenger Transport Services.

SWOT ANALYSIS

STRENGTHS

- Good infrastructure
- Good passenger amenities
- Good operational network
- Image and reputation in the society
- Effective services

WEAKNESS

- Unhealthy competition
- Motor Vehicle Act has not provision for co-operative transport
- Scarcity in adopting new technology
- Weak marketing plans
- Weak financial positions
- Higher cost of operational compared to competitors

OPPORTUNITIES

- Increasing demand for reliable and cost effective mass transport
- Emerging potential niche segment
- Demand for integrated multi modal transport
- Nationalization of permits
- Tourism opportunities
- Business diversification

THREATS

- Growth of competition from other modes.
- Permit policy
- No recognition of government for co-operative sectors
- Bad road conditions

SAMPLE SIZE

The present research is of quota sampling in nature. I has met 100 number of respondents for this research form all the routes of TCS, where TCS buses are runs more I met more people there and we met less number of passengers where TCS buses runs less.

SOURCES OF DATA

Data are facts, figures and other relevant materials, past and present, serving as bases for study and analysis. The data serves as the bases for analysis, without an analysis of factual data no specific inferences can be drawn on the questions under study. Inferences based on imagination or guesswork cannot provide correct answers to research questions, the relevance, adequacy and reliability of data determine the quality of the findings of a study. For the purpose of this present study data from two sources collected namely primary and secondary data have been gathered.

PRIMARY DATA

Primary Data are original sources from which the researcher directly collects data that have not been previously collected. In primary data plays an important role in a study at this kind. The researcher has collected primary data through personal interview method with the help of a well-structured questionnaire. The questionnaire in this study consisted of 33 questions in that 25 service features are extra. This questionnaire is divided into 3 parts part A, part B and part C. Researcher has personally met all the respondents to get the primary data.

SECONDARY DATA

The secondary sources consist of readily available compel and already compiled statistical statements and reports whose data may be used by researcher for their studies.

Secondary data have been collected from too many sources. The major sources of secondary data are News papers Journals/Magazines, Textbooks; Signed articles, Websites etc

DATA ANALYSIS PLAN

Primary data in the present research place a very vital role; conclusion and recommendations in this research are

completely based on data analysis and interpretation. The primary data collected from the respondents has been classified tabulated by following all the principle and practices of classification and tabulation.

CONCLUSION

Road transport has a special significance in the transport system in Karnataka because of two important reasons.

1) It is an infrastructure on which depends the growth of other sectors of the economy and

2) The geographical and economic conditions existing in the state are better suited to the development of this mode of transport

The different passengers use the services with different motives; rural general users are substantially influenced by price, whereas the urban users are influenced by quality. Persons traveling for a long distance prefer have quality services where different type of customers and amenities are available. The users using the services for a short distance generally prefer time and safety. In the malnad region the absences of rail transport system, people have completely depend upon bus transport system. TCS Koppa providing good service to the people and hardly working to satisfy the needs of passenger so that consumer should get protection in all type of aspects.

Research Centre for Consumerism (RCC)

Kalasalingam University (formerly known as Arulmigu Kalasalingam College of Engineering) was established in the year 1984 by the Kalasalingam Anandam Ammal Charities. The Department of Business Administration was established in the year 1994. Research Centre for Consumerism established in March 2010 by the Department of Business Administration, Kalasalingam University. This centre was setup with a primary objective of conducting research studies in the area of consumer protection and welfare in line with the efforts of Govt. of India. The RCC would be a platform to identify and suggest suitable measures towards the protection of consumer rights in this part of rural India. This research centre's desirous to have collaborations and sponsorship from various funding agencies like ICSSR & IIPA, New Delhi and also from abroad.

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Editor

Dr.R.P.C.S.Rajaram

Research Coordinator cum Assistant Professor

Research Centre for Consumerism

Kalasalingam University

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