

SECURITY ISSUES FACED BY RURAL POPULATION ON PAYMENT BANKS WITH SPECIAL REFERENCE TO COIMBATORE DISTRICT

Mr. K. Myilswamy*
Dr. R. Hamsalakshmi**

ABSTRACT

A payments bank is like any other bank, but in service on a minor level without involving any credit risk. Simply, it can perform mainly banking operations but can't advance loans or issue credit cards. The primary aim of payments bank is to enlarge the extend of imbursement and financial services to firm, low-income households, migrant labor force in protected technology-driven atmosphere. But in payment banks services there are some security issues namely Sophisticated Malware, Poor Patching, Application/Middleware Vulnerabilities and Service Providers. Normally people are utilizing electronic services for saving their time, difficulties, efforts and cost cutting. Due to technological progress it's possible without any delay. But whenever people try to use those services, they deeply exploited by different ways security issues. In this study for analysis purpose, primary data and secondary data has been used. For collecting primary data, questionnaire have been prepared by Google form in structured manner and collected from 146 respondents. And secondary data have been collected from various books, magazines, journals, websites and reports. In this research Likert scale analysis, Chi – square and ANOVA. Payment bank should pay attention on security for transactions in payment banks. Then only thee rural population will use payment banks confidently and also they will feel the services of payments are reliable one and accept it as essential one.

Keywords: Payments Bank, ANOVA, Chi – Square, Likert Scale, Primary Data.

Introduction

A payments bank is like any other bank, but in service on a minor level without involving any credit risk. Simply, it can perform mainly banking operations but can't advance loans or issue credit cards. It can allow demand deposits, put forward payment services, mobile payments or money transmit or acquires and other banking services like ATM / debit cards, net banking and third party fund transfers.

The primary aim of payments bank is to enlarge the extend of imbursement and financial services to firm, low-income households, migrant labor force in protected technology-driven atmosphere.

Biggest Security Threats to Payments

- **Sophisticated Malware**

Malware has gotten very complicated, tracking all from keystrokes to education passwords, to perceptive notebook cameras and microphones. Uniform Resource Locator scraping can see wherever you have been online, and bots can be installed in your system without you ever knowing it. This all adds up to bad actors knowing who you are, what you do, your passwords, etc.

- **Poor Patching**

Patching is a dangerous movement for any development, security-conscious society. Unluckily, patching demands must be addressed on operating systems, applications and set of connection communications, making it a bit of a obstacle in some minds.

* Ph.D Research Scholar, LRG Government Arts College For Women, Tirupur, India.

** Assistant Professor, Department of Commerce, Government Arts College for Women, Puliyakulam, Coimbatore, India.

- **Application/Middleware Vulnerabilities**

Breaching the boundary is no longer the favorite harass vector. Attackers are now taking benefit of the propagation of applications across the distinctive venture. Most vendors will do the right thing with vulnerabilities and patches, but you must remain cautious.

- **Service Providers**

Third parties have become a huge part of many infrastructures owing to their cost-savings, proficiency and capabilities. Many are trusted with perceptive data, making them a very stretched expansion of your business.

Review of Literature

Siddique and Rehman,(2011)¹ PC is consider as instrument for committing the frauds as PC is having massive data stored together with undisclosed data and information's also, PC is easily amicable to filch data by secretly entrenched key loggers and logic bombs. The data obtained is tainted and after using it is smashed so the evidence of details and evidences are also lost sometimes if there is no proper encouragement. Mobile is also used as a tool for committing frauds.

Sharma et al, (2011)² 64.83% respondents have approved that mobile banking is not safety while downloading assured applications clients give way to fraudsters to access their data stored on mobiles easily e. g their messages, gallery and various files and folders containing private data so there is threat of data stealing that might origin the customers to be the victim of e banking frauds.

Dr.Komal and Dr.Vandna Rani, (2012)³ There are mainly four channels e-banking ATM, credit cards, internet and mobile banking. 29% of respondents experience that movable banking is not trustworthy and 24% of respondents feel that use of credit cards is not protected.

Jagtap , (2014)⁴ A investigation conducted amongst the knowledgeable respondents shows that 38% of the customers are still non user of online banking because of low safety level, risk of fraud and no guidance for operation. It is concluded that inspite of being educated customers are unwilling to use online banking as they feel it is unsafe to use.

Chavda, (2014)⁵ one of the motive for enlarge in e banking frauds is, as amongst people in India there is not have of computer literacy so they not know how to use the e banking services and if they want to use then they have to take help of someone which will lead to customer disclosing his secret data and which can be misrepresented by fraudsters.

Jokhi, (2014)⁶ The then Minister of State for Communication and IT, Mr. Milind Deora has declared that the total failure in first six months of 2013-14 by Indians as per RBI report was around RS. 54 crores. E banking frauds are increasing each year out of which some cases are reported and others go unreported in India due to lack of cyber law knowledge in India.

Statement of the Problem

Normally people are utilizing electronic services for saving their time, difficulties, efforts and cost cutting. Due to technological progress it's possible without any delay. But whenever people try to use those services, they deeply exploited by different ways security issues. Among them namely Sophisticated Malware, Poor Patching, Service Providers, Over-trusting Encryption etc. For these challenges, we have to find various safety initiatives.

Objectives of the Study

- To find out the type of security issues faced by rural population in payment banks
- To identify out level of the security issues faced by rural population on payment banks.

Hypotheses of the Study

H₀₁: There is no relationship between educational qualification and security issues faced

H₀₂: There is no relationship between age and security issues faced by rural population on Payment banks.

Research Design

In this study for analysis purpose, primary data and secondary data has been used. For collecting primary data, questionnaire have been prepared by Google form in structured manner and collected from 146 respondents. And secondary data have been collected from various books, magazines, journals, websites and reports. In this research Likert scale analysis, Chi – square and ANOVA.

Likert Scale Analysis

Problems Regarding Security Issues faced by Payment Bank Transaction

	HF		F		M		NF		HNF		Total %
	Res.	%	Res.	%	Res.	%	Res.	%	Res.	%	
Fraud and chargebacks	84	58	41	28	16	11	5	3	0	0	100
Cross-border transactions	76	52	44	30	23	16	3	2	0	0	100
Card data security	98	67	36	25	10	7	2	1	0	0	100
Multi-currency & payment methods	78	53	52	36	13	9	3	2	0	0	100
Technical integration	89	61	32	22	19	13	6	4	0	0	100

HF=Highly Faced; F= Faced; M= Moderate; NF = Not Faced; HNF = Highly Not Faced

Among 146 respondents, 56% of the respondents are facing problem regarding fraud and chargebacks, 52% are facing cross – border transactions issues, 67% of them facing card data security issues, 53% of them facing multi – currency and payment method issues and 61% of them facing technical integration issues.

Testing of Hypotheses

Chi – Square Test (χ^2)

H₀₁: There is no relationship between educational qualification and security issues faced

Calculated Value	Table Value	Degree of Freedom	Result Level at 5%
1.313	0.777	9	Not Significant

Source: Primary Data

The calculated value is 1.313 is greater than table value 0.777. There is no relationship between education qualification and security issues faced by rural population in payment banks. Hence Null hypothesis is accepted at 5% level.

ANOVA Table

H₀₂: There is no relationship between gender and security issues faced by rural population on payment banks.

Source of Variation	Sum of Squares (ss)	Degree of Freedom (df)	Mean Square	F	P – Value
Between Rows	$SS_R=1272.22$	$r-1 = 2$	$MSR = 1272.22/2 = 636.11$	$636.11/145.94 = 4.35$	0.0989
Between Columns	$SS_C = 897.56$	$c-1 = 2$	$MSC = 897.56/2 = 448.78$	$448.78/145.94 = 3.075$	0.1553
Error(Residual)	$SS_E=583.78$	$(r-1)(c-1) = 4$	$MSE= 583.78/4 = 145.94$		
Total	$SS_T = 2753.56$	$rc-1 = 8$			

Source : Primary Data

- **Between Columns:** The calculated value 4.35 is higher than the table value 0.0989. So H_1 is rejected, hence there is no significant relationship between rows.
- **Between Rows:** The calculated value is 3.075 is higher than 0.1553. So H_1 is rejected, hence there is significant relationship between columns.

Conclusion

Anyhow customers are willing to use payment bank because of saving time and minimizing transaction cost etc., but apart from that still literate customers are hesitate to use payment because of lack in security and safety. They know that security in payment banks is not reliable. So payment bank should pay attention on security for transactions in payment banks. Then only thee rural population will use payment banks confidently and also they will feel the services of payments are reliable one and accept it as essential one.

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