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NEWS ALERT

FRAUD GROWING FASTER IN FINANCIAL SECTOR: SURVEY

Fraud is increasing twice as fast in financial services as in other sectors, with North America particularly hit hard by the financial crisis, a survey of senior executives released on Monday shows. The survey was conducted by a unit of The Economist Group, which publishes the magazine The Economist.

Kroll, a risk consulting and security unit of Marsh & McLennan Cos, said 53 percent of financial services respondents reported a higher level of fraud, compared with only 27 percent in other industries. The Kroll Annual Global Fraud Report covered 729 executives in 10 business sectors, with at least 50 executives from each. Nearly half of companies polled have more than \$1 billion of annual revenue.

According to the survey, the average financial services company lost \$15.2 million to fraud over the last three years. Thirty percent of respondents said the economic environment directly increased their exposure to fraud over the past year, with only 5 percent reporting a decline. The percentage reporting an increase was 32 percent in North America. Five sectors reported higher fraud losses: financial services; health care, pharmaceuticals and biotechnology; professional services; retail, wholesale and distribution; and travel, leisure and transportation. Five sectors reported lower fraud losses: construction and engineering; consumer goods; manufacturing; natural resources; and technology, media and telecommunications.

IMF SAYS TOO EARLY TO WITHDRAW STIMULUS MEASURES

The International Monetary Fund warned countries on Monday not to scale back stimulus measures used to fight the global recession, saying that could jeopardize a return to weak growth next year. This is no time to take risks with premature withdrawal of the stimulus," the IMF's No. 2 official, John Lipsky, said at a conference in Mexico City.

The IMF said earlier this month that the world economy had started to recover. It sees global growth of 3.1 percent in 2010 after a 1.1 percent contraction this year. Governments and central banks around the world have been pumping money into their economies all year to revive growth, though criticism of the stimulus measures in some countries has been growing.

UNIQUE ID TO SOON BECOME 'PERVASIVE & UBIQUITOUS'

The proposed Unique Identification Number could eventually become mandatory, as it may be required for making a passport, getting driving licence and opening a bank account.

Though the 16-digit Unique Identification Number will not give citizenship rights, it will be used for identifying Indian citizens. At present, UID is completely voluntary, but it will become "pervasive and ubiquitous" later, Unique Identification Authority of India (UIDAI) chairman Nandan Nilekani was quoted as saying by a news agency.

Diversified Religare Group, controlled by former Ranbaxy owners Malvinder and Shivinder Singh, has doled out close to 30 luxury cars such as BMWs and Mercedes-Benz (each costing over Rs.20 lakhs) to its top managers in the country, to retain senior management across their various firm groups.