



PUNJAB NATIONAL BANK EMPLOYEES' FEDERATION OF INDIA
(Affiliated to Bank Employees Federation of India)
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19th February, 2018

CIRCULAR NO. 01/2018

TO ALL CEC MEMBERS & UNITS

Dear Comrades,

FRAUD IN PUNJAB NATIONAL BANK

We reproduce hereunder the full text of our letter dated 18.02.2018, written to the Chairman & CEO, which is self-explanatory, for your information.

With greetings,

Comradely yours,

(ANUPAM MITRA)
GENERAL SECRETARY

18th February, 2018

To

The Chairman & CEO,
Punjab National Bank,
Head Office, New Delhi.

Dear Sir,

FRAUD IN PUNJAB NATIONAL BANK

The general employees of the Bank feel very much disturbed over the incident of fraud at Brady House Branch, Mumbai. We are also worried over the size of the fraudulent transactions, estimated at roughly one-third the size of the bank's market capitalisation.

The incident also disclosed some disquieting conclusions about lapses in operational/risk management and regulatory failures of internal controls. We, on behalf of the employees, at this juncture, are now restraining ourselves to comment further on the issue of lapses, regulatory and system failures.

We are of the firm opinion that set of rules followed by the bank for common customers are not meticulously applied in case of corporates some of whom indulge in fraudulent practices. However, we do not know how much you would be able to go to the root of political nexus which is responsible for problems in the banking system for years. If the investigation is allowed to go impartially, this episode will set off fears of a nexus deeper than imagined.

It is difficult to believe that a handful of junior staffers could orchestrate such a massive fraud and we, therefore, hope that Bank will not leave any stone unturned to fix up the responsibility irrespective of the position held in the Bank. It would not be out of place to mention that on earlier occasions whenever we had blown our whistles against unethical business practices of some high-ups of the Bank, due cognisance had not been given to shield the corrupt officials who used to be blessed by a section of the policy makers.

We feel that at this juncture it would be the prime and foremost task of the Bank to win over the trust of the clientele which has been damaged in general firstly over the placement of FRDI Bill in Parliament and the last one over this incident of fraud.

We strongly feel that Bank should take all steps including public statements through the national media to retain the trust of the existing clientele of our esteemed institution.

Yours faithfully,
Sd/- ANUPAM MITRA
GENERAL SECRETARY