



# ALL INDIA BANK RETIREES' FEDERATION (Regd.)

(Regn. No:G 6601 under the Trade Union Act 1926)

D-1/1, Sector-C, Scheme-71,

Near Kasara Bazar School, Indore – 452 009.

## Chairman

Sri D.A.Masdekar

## President

Sri S.M.Deshpande

## Vice President

Sri J.B.Dave

Sri D.P.Gupta

Sri F.Martis

Sri Anindya Basu

Sri N.Mishra

Sri C.N.Prasad

Sri A.K.Mondal

Sri H.C.Gandhi

Sri K.Vishwanath Naik

Sri O.P.Varma

## General Secretary

Sri S.C.Jain

## Dy. Genl. Secretary

Sri Debesh Bhattacharyya

Sri S.V.Srinivasan

Sri Ashok Patil

Sri A.K.Bansal

## Organising Secretary

Sri Sunil Srivatsav

Sri V.K.M.Varma

Sri C.Gopinathan Nair

Sri M.N.Pandit

Sri Pratap Shukla

Sri S.Velayudam

Sri Kalyan Sen Gupta

Dr.G.S.Jog

Sri Kishore Gujarati

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Sri Rajendra Prasad

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Sri B.Venkat Rao

Sri Rajan Dhargalkar

Sri Suresh Sharma

Sri R.Shirambekar

Sri B.G.Raithatha

Sri Ranjit Bhattacharyya

## Treasurer

Sri M.S.Chourey

Ref:2018/018

Date : 22.02.2018

**Shri Arun Jaitley  
Honourable Finance Minister  
Government of India  
New Delhi**

Respected Sir,

### Re LOU related scam in Punjab National Bank

**It is being widely reported in print and electronic media that a few diamond merchants have committed fraud of fraudulent letters of undertaking in Punjab National Bank which is likely to cause financial loss of about Rs. 11300 crores or even more to the Indian banking system. It is also reported that the concerned diamond merchants left the country after the scam got unearthed. It is also being claimed in media that it is the largest banking scam in the history of Indian banking. Simultaneously, some other frauds like Rotomac etc. are also appearing in newspapers.**

**2. These disturbing reports about Indian banking system have created panic like situation among the common man in particular the senior citizens/ retirees who keep bulk of their savings in the form of bank deposits and are dependent on interest income for managing their day to day life. This panic like situation gets further fuel by rumours widely in circulation that more scam are in store, public sector banks may place some restrictions on withdrawal of deposits as done during demonetisation period etc. As you know there are already many adverse reports in media about public sector banks because of very high NPAs, many of these banks being placed under PCA, increasing losses of PSBs quarter after quarter and the largest bank of the country SBI also reported loss for the quarter ended December, 2017.**

**3. However, we do not find any official version on the scam and other adverse news from Finance Ministry, Reserve Bank of India, bank managements, Indian Bank Association to give official position on these incidents to calm the sentiments of the public and to create confidence among them in banking system. We therefore request to ask these agencies to release official statement/ advertisement to give real position in the matter for the knowledge of the public. Our organisation represents about 1.70 lakhs retirees who have kept their savings in PSBs and are feeling highly concerned on getting such disturbing and adverse news with added input of panic rumours.**

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Sri B.G.Raithatha

Sri Ranjit Bhattacharyya

## Treasurer

Sri M.S.Chourey

**4. We also find from newspaper reports that PNB management has issued orders to transfer 18000 staff as a preventive measure from vigilance angle. While we appreciate govt./ management concern on preventive measures, we strongly oppose such large scale disturbance of manpower which will result into innumerable human problems, demotivate the staff and huge financial cost involved in such transfers without serving any real purpose. It may be added that the same staff brought first prize for the bank from CVC in 2017 only.**

With Respectful Regards

Yours Sincerely,

( S.C.JAIN )  
GENERAL SECRETARY

c.c. to The Governor , Reserve Bank of India

c.c. to The Chairman Indian Banks' Association

c.c. to The Convenor UFBU