



**STATE BANK OF INDIA OFFICERS' ASSOCIATION
CHANDIGARH CIRCLE**

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Circular No. 2018/24

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TO ALL OUR AFFILIATES/MEMBERS:

RECENT INCIDENTS IN THE BANKING INDUSTRY
APPEAL TO ALL COMRADES

We reproduce hereunder the Circular No 16 dated 28.02.2018 issued by All India State Bank Officers' Federation on the captioned subject, the contents of which are self-explicit.

Comradely yours,

(Deepak K Sharma)
General Secretary

QUOTE

The Federation and our affiliates, i.e., all our Circle Associations have time and again reiterated the need to follow the systems and procedures. As Bankers, we deal with Public Money and Public Trust. 'Trust' is the Sin quo non of Banking. State Bank of India is known to have established time tested systems and procedures over the years. It is needless to mention that as officers working for the Bank, it is our Paramount duty to follow meticulously the laid down systems and procedures.

2. We have all seen what has happened in PNB. The scale of the recent scams and losses suffered has shocked all of us. This has become an excuse for the so called pundits of our Country to demand for privatization of Public Sector Banks though the real cause is the colossal failure of the system, the control mechanism and inadequate monitoring and regulation of the entire Banking Sector. We have seen the negative publicity that the incident has generated despite the fact that 99% of the officers and employees are innocent, sincere to the core and hard working. But one small individual or a set of individuals have brought down the image of the Bank. Not just the Bank but the entire Banking Industry. Markets have crashed. The multiplier effects of such frauds have created ripples across the country with wide ranging economic and financial repercussions. Suddenly everybody is waking up - the regulations, the CBI CVC,

Government and the Press and Media. We had all along demanded publication of the list of willful defaulters in line with the Supreme Court Order, Stringent recovery measures with real teeth (not false and cosmetic teeth).

3. The worst fallout of the drama is that from now onwards all NPA's and high value advances will be under scanner. The CBI has been asked to investigate large corporate advances - NPA's above Rs. 50 crore. As we are very well aware, once an investigating authority chooses to investigate, all violations however minor they are, will be questioned, interrogated and charge sheets will follow. The CVC, the CVO and the vigilance departments will take a microscopic view of all the violations in systems procedures.

4. Hence, comrades let us all work within the frame work of the Bank's guidelines. Honesty and integrity of every officer should be above board. In the overenthusiasm to get more business and to achieve the targets, with promotions in mind, please DON'T VIOLATE THE SYSTEMS at any cost. You will not only be part of the group to hit the image of the Bank, but also hurt yourself, your career and more importantly the family behind you.

5. Garnering business for the Bank is very important; else the Bank will not grow or survive. But let that be quality business, ethical business that will do the Bank proud. One can sleep well without any fear.

6. Therefore, (i) Before putting up a high value proposal, or any large transaction, please ensure that you follow all the laid down norms.

(ii) For heaven's sake please don't act on oral instructions, however highly placed the person giving instructions may be. In case of an emergency, when you act on any instructions, or when you have to take a business /credit decision, convey it through writing the next minute, for confirmation/control and follow up till it is confirmed in writing.

(iii) Please use your common sense and look out for signals or situations that give rise to doubt. Hence, keep your eyes and ears open.

(iv) Don't compromise on periodical inspections, (Pre/post sanction). Make it meaningful and not just a formality. Please record your observations and bring it to the knowledge of higher ups/controllers. Pre/post Sanction Inspection must be religiously done recording and end use of funds.

(v) Share your thoughts, doubts apprehensions with others. They may be able to help.

(vi) Please don't get enamored by the so called 'Top Class' treatment by Top Clients. Treat them with utmost respect, warmth and render the highest level of customer service. But

please do not fall for the guile and glamour of fraudsters for a few benefits that they may throw towards us. It could be a TRAP - RESPECT ALL - SUSPECT ALL.

(vii) Please DO NOT HESITATE TO BE A WHISTLE BLOWER. As I mentioned we deal with Trust. If someone tries to break the trust, let us expose them and thereby save many others from falling into disciplinary net and more importantly save the Bank.

(viii) Please Don't fall for the Cross Selling freebies and undercut by converting Bank's deposits into cross selling products. Please don't indulge in MISSELLING. We are going to take up this issue with the Bank at the highest level. Cross Selling should NOT be at the Cost of the Banks CORE BUSINESS. Don't forget that since ages, SBI has been doing ethical business. The core areas of deposits, advances, NPA recovery, quality of our assets, are very important. Let us not compromise in terms of time and energy on our core activity. Let us take instructions, from our controllers and not directly from outsiders.

(ix) Please update your knowledge on all our new products, systems & procedures and be frontline marketing managers for all the products of the Bank, based on customer age group and customer needs so that they get total satisfaction at one point.

(x) The younger generation of officers also should be groomed and mentored by all our senior comrades in terms of knowledge, ethics, systems, loyalty to the Bank etc.

7. Finally the need of the hour is to ensure that the Public Sector character of the Banks are protected and reflected as truly representative of the country's diverse socio economic fabric and as growth engines of the economy. Let not a few incidents, a few individuals or agencies or any imported thought process and theories paint the Indian Public Sector Banks Black and tarnish the wonderful image built up over a period of time, with the bricks made out of our soil and cemented with our efforts and affection. Let us all be proud to be a State Banker, and rightly so, follow the path of business ethics.

With regards,

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(Y.SUDARSHAN)
GENERAL SECRETARY

UNQUOTE