

PUNJAB NATIONAL BANK

“The erstwhile ‘Nedungadi Bank Ltd.’ (eNBL) was amalgamated into Punjab National Bank (PNB) pursuant to the scheme of amalgamation notified by the Govt. of India on 31.01.2003. As per the Scheme of Amalgamation, all the assets and liabilities of eNBL were transferred to PNB and the entire amount of paid-up capital and reserves of eNBL were treated as Provision for bad & doubtful debts and depreciation on other assets of eNBL.

As per the Scheme, the shareholders of eNBL did not get any share of Punjab National Bank as no Swap Ratio was stipulated therein. Further, in terms of Chapter IV, sub –para (8), if any surplus remains after appropriating towards the liabilities of eNBL was to be distributed pro-rata amongst the ordinary shareholders of eNBL.

As per the Final Valuation of NRR Asset of eNBL as on 31.03.2012, which was subsequently approved by RBI vide letter dated 21.09.2012, there was Net Deficit to the extent of Rs. 41.01 crore and therefore no further liability accrues on the part of the Bank towards the shareholders of eNBL.”