Challenges in Resolving PNB Case

Why in news?

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Interpol has issued a Red notice against the fugitive who had involved in the PNB Scam in India.

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What is PNB Scam?

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- PNB has alleged that two of its employees had “fraudulently” issued LoUs and transmitted SWIFT instructions to the overseas branches of Indian Banks.
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- This was done to raise buyer’s credit for the firm of a diamond merchant without making entries in the bank system.
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- The bank has alleged that one such fraudulent LoU issuance took place on January 2018, the trail of which revealed the entire design.
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- These LoUs were mostly issued to two Hong Kong branches of Indian Banks and was for the aforesaid diamond merchant.
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- The details on whether LoUs were backed by collateral or the quantum of liability that the bank faces against these LoUs aren’t out yet. Click here to know about PNB scam
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What is a Red notice?

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- **Red Notice -** A Red Notice is a request to locate and provisionally arrest an individual pending extradition.
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- It is issued by the General Secretariat at the request of a member country or an international tribunal based on a valid national arrest warrant and it is not an international arrest warrant.
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- INTERPOL cannot compel any member country to arrest an individual who is the subject of a Red Notice.
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- Each member country decides for itself what legal value to give a Red Notice within their borders.
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What are the provisions of Red notice?

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- A Red Notice in itself does not confirm that the wanted individual will actually be arrested.
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- When Interpol publishes a Red Notice, its purpose is simply to inform all member countries that the person is wanted based on an arrest warrant or equivalent judicial decision issued by a country or an international tribunal.
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- Thus the success of a Red Notice depends on the diplomatic heft of the requesting country.
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- For example, Red Notices against fugitives wanted by India in Pakistan, such Dawood Ibrahim, have not led to their arrest.
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What is the recent action of Interpol?

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- Interpol issued a Red Notice recently against fugitive jeweller Nirav Modi’s sister Purvi Modi.
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- This is the third such notice issued against members of the family including Nirav Modi himself, but excluding his uncle Mehul Choksi, who is a co-accused with him in the Rs 13,500-crore fraud in Punjab National Bank.
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- With Interpol having so far held out on India’s requests for a Red Notice

against Choksi, who is now a citizen of Antigua and Barbuda.
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What are the challenges in resolving the case?

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- CBI has been arguing that it does not require a Red Notice against Choksi, as it would only help locate Choksi which has already been done.
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- With the Antigua and Barbuda government having confirmed that Choksi is now a citizen and living there.
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- The Antiguan government has stressed it would not detain Choksi until a Red Notice is issued.
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- Interpol also gives an individual the right to contest a Red Notice published against him.
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- An accused can challenge a Red Notice in the Commission for the Control of Interpol's Files.
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- Interpol has been allowing accused individuals to intervene on Red Notice requests, too.
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- Various accused have raised objections and queries on Red Notice requests against them.
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- In this case Indian agencies believe that Interpol must allow accused to challenge a Red Notice only after it is published.
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Source: Indian Express

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Quick Fact

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INTERPOL

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- INTERPOL is the world’s largest international police organization, with 192 member countries.
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- It aims to facilitate international police cooperation even where diplomatic relations do not exist between particular countries.
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- Action is taken within the limits of existing laws in different countries and in the spirit of the Universal Declaration of Human Rights.
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- Its constitution prohibits ‘any intervention or activities of a political, military, religious or racial character'.
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