



OFFICERS' CAUSE
JANUARY - 2019



2019

HAPPY NEW YEAR!

7TH PAY COMMISSION – IMPLEMENTATION

The Government employees continue to raise several issues in connection with the implementation of the 7th Pay Commission – though the Government took quick decision in accepting the recommendations of the Pay Commission and implemented the same immediately during the year effective from 1.1.2016. The Government also ensured that their employees get the benefit of the enhanced Gratuity amount though the act was amended in March 2018 denying this benefit to all other sections of the workforce in the country. The employees both in the Central as well as the State Governments have been raising a number of issues about the 7th Pay Commission. The Central Government employees wants that the conversion formula which was 2.57 as recommended by the Pay Commission and the minimum Basic Salary was fixed at ₹18,000/- whereas the employees were demanding that the conversion factor should be 3.5 which will take the minimum basic to ₹26,000/-. The Central Government in response to the representation of the employees for the re-introduction of the old Pension Scheme has come out with a series of improvements in order to make the New Pension Scheme more attractive. One of the major decision has been the increase of the Governments' contribution towards Pension Fund under the NPS from 10% to 14% and also liberal approach in regard to the payment of taxation extending the benefit of triple exemption that is for the contribution, for the withdrawal and also to the accumulation so that the scheme remains more attractive. However, the employees are persisting with their demand

for the re-introduction of the old Pension Scheme.

The Central Government employees are demanding the review of the present scales giving effect to their suggestion for improvement in the minimum basic pay and also improvement in the conversion factor which is bound to give them a very substantial increase in their pay scales.

The 7th Pay Commission has not been implemented in several states. The Government of Karnataka has assured their employees of a favorable decision in this regard. The Delhi Government has taken a positive stand in considering extension of the benefit available under the 7th Pay Commission recommendations. This will lead similar demands in almost all the States. The UP Government employees have been demanding review of the position and implementation of the same to them. Thus, there is an all-round expectation from the employees in the Government services of a favorable decisions by their respective employer throughout the country. The General Elections which is due in the year 2019 is considered as an appropriate time for the employees to raise their issues including the anomalies that are being pointed out by the Central Government employees and there has been continuous pressure on the Central Government to address this issue.

In the meanwhile, ahead of the General Elections, the Maharashtra State has announced the acceptance of the 7th Pay Commission

recommendations and its implementation to its employees numbering over 20,50,000 employees retrospectively from 1.1.2016 and to pay the arrears for 36 months as new year gift to their employees. The Maharashtra Government has also decided to incur a total expenditure of Rs.38,645 crores in 5 yearly installments costing the exchequer an amount of 7,631 crores per year..

The Central Government is considering setting up of a separate Committee to look into the various aspects of the implementation of the 7th Pay Commission as also its implementation in the States as well.

Thus, the issue of the implementation of the 7th Pay Commission is not over. There are still several issues raised by the civil servants and the Government is not in a position to take a hard stand keeping in view the results of the recently held State Elections as well as the ensuing General Elections to the Parliament in the year 2019.

The employees in the banking industry are watching these developments although they are in the midst of agitation in forcing a negotiated settlement on the Charter of Demands submitted by them. ■

GOOD BYE TO 2018 END OF YET ANOTHER YEAR FEDERATION UNENDING JOURNEY CONTINUES

We are at the fag end of the year 2018. It is end of yet another year. The Federation moves forward recording yet another chapter in its glorious history of 53 years. The unending journey of our movement under the banner of the Federation continues while entering the New Year with a lot of hopes and confidence amongst the membership across the country about the future prospects of their career in the bank. A bird's eye view about the happening of the last 12 months, with certain mile stones which we have crossed is necessary to keep our journey in the right perspectives.

2. The year started with the hope of ensuring the conclusion of the 11th Bipartite settlement as indicated by the IBA and the Government sources that they would like to conclude it in good time. However, they took adamant stand in regard to the mandate to IBA to negotiate on behalf of industry in respect of all the scales and grades. The bipartite exercise became a ritual reiterating their adamant stand and refusing to change their position which culminated in a strike action on 21st of December 2018. The All India State Bank Officers Federation who were pioneers in organizing the Officers of all the scales under one banner had to take the issue to a logical end and see that the strike action is total so that IBA and the Government gets a right message. 3. Thereafter we struck work immediately on 26th December 2018 as a protest strike against the undesirable moves of the Government in the matter of merger of banks. The strike call was under the banner of UFBU and the strike was a resounding success sending strong message to the Government

that the bank employees and officers unions will fight against the ill-advised moves of the Government in the matter of merger of the 3 banks which is now under consideration of the Government.

4. The beginning of the year saw the various activities of the Federation in different parts of the country. The General Secretary of the Federation who was instrumental in spreading the message of "Save Public Sector" took up various issues connected with not only the banking industry but as also the issues of common man in particular retaining the banking industry under the ownership of the Government intact. A series of programs were organized in different parts of the country in order to campaign against the various proposals that were under the consideration of the Government. The focus was on the question of the recovery of NPA's in particular the loans given to big corporates, the issue of providing equity by the Government, the issue of the changing norms of classification, the issue of the RBI directives placing a large number of banks under Prompt Corrective Action. The Federation and the Confederation stood firm when the Government insisted for the signing of an understanding with the unions in regard to PCA. The subsequent developments in regard to the initiation of recovery process, the new legal enactments which came in the guise of speeding up of recovery created more complications resulting in almost all banks showing the losses in their balance sheet.

SUCCESS AWAITS AT THE DOOR WHERE DILIGENCE IS

5. Despite all these developments, the Federation continued its militant journey. The bank level issues in particular the working conditions of the officers, the pressures created on them, the loss of weekends and 2nd and 4th Saturdays though the officers were entitled to use their weekends to spend with their families. They remained on paper. The Federation took up the issue in a strong measure. Our Mumbai Circle undertook a study of the work environment and the results were revealing. In these circumstances, it is worth recollecting how the leadership of the Federation was able to impress upon the Management and their instructions/guidelines in regard to the work-life balance and see that the officers are not unnecessarily harassed during weekends. This was for the first time in the history of our Federation, the Management acknowledged that the officers need to spend quality time with their families during the weekend and they should not be forced to stay in the bank during these days.

6. The Federation conducted its Triennial General Council at Chennai from 23rd to 25th June 2018, in a grand manner. The participation of delegates and observers from all parts of the country representing the various affiliates enthused the membership across the country about the successful journey that the Federation is going through. The youth convention, the inspiring addresses by the guests who had come from the Management side, the Confederation side, as well as the public personalities was encouraging to the gathering in the General Council. The Youth Convention threw up several young leaders who are willing take up the responsibilities of running the organization under the banner of Federation. The new team of Office-Bearers under the leadership of Com.Soumya Datta, President and Com.Ramkumar Sabapathy, General Secretary of the Federation took over the mantle of the Federation on conclusion of the General Council Meeting at Chennai. Com.Soumya Datta, President of the Federation also took over the position of the General Secretary of the Confederation.

7. The responsibility of taking the salary revision to the logical end became the responsibility of the leadership of the Federation. Thus a number of rounds of discussions were held but without any concrete results forcing the organizations to go on strike.

8. The Federation also ensured that its activities under the banner of NATURE to train up

the Defense Representatives as well leaders at the grass root level continued. The NATURE also has designed a series of programs culminating in the 150th Program in the next 3 months' time which will be organized in a grand manner. The General Secretary of the Federation is taking special interest to see that the NATURE activities continue in full force and the target of 150th Programme is reached as early as possible.

9. The CNC meetings are being held in a regular manner. A number of issues have been clinched in these meetings during the last 12 months due to continuous follow-up and persuasion of the Federation. The list of such success is a long one. The Federation will continue its efforts to see that the issues are sorted out on a priority basis. The issue of Work-life Balance has become an important achievement as far as the Federation is concerned and it is responsibility of each and every one to see that the benefit is available to all our officers across the country.

10. One of the greatest achievements of the Federation is the production of a documentary on the history of the Federation since its formation covering over two and half hours. The documentary was released in Hyderabad and the pioneer work done by the Federation has been appreciated by the leadership of the Federation. The documentary will be highly educative to all those members who would like to take up the leadership of the organization and also give a right perspective and concept of the Federation amongst the membership across the country. To-day, with the merger of the Associate Banks Officers Association with the Federation we have almost one lac membership under the Federation and continue to hold the position of the biggest supervisory cadre organization in the country. We continue to cherish all the good moments of the year 2018 while commencing our journey towards 2019.

11. Let us take this opportunity to resolve that whatever the dreams that our predecessors had and achieved subsequently – will keep us moving with a conviction and commitment to make this organization further stronger and take it to a greater heights in the days to come. GOOD-BYE TO 2018.



WISH YOU AND YOUR FAMILY A VERY HAPPY NEW YEAR.

ARISE, AWAKE, STOP NOT TILL THE GOAL IS REACHED

Text of AIBOC Circular No. 2019/02 dated 7th January, 2019.

- 1. Countrywide Agitation Protesting the Union Cabinet Approval to the Proposed Merger of Dena Bank, Vijaya Bank and Bank of Baroda**
- 2. Demanding a Respectable Wage Settlement upto Scale VII based on COD, Updation/Revision of Pension and Family Pension and Scrapping of NPS and many more relevant issues**

Following the stupendous success of our Nationwide strike on 21st December, 2018 followed by the Nationwide strike called by UFBU on 26th December, 2018, General Secretaries of all Affiliates of the Confederation had met on 04.01.2019 at Kolkata to take stock of situation and to formulate the future course of action. The meeting was very interactive, informative and several decisions were formulated. It was decided that we shall be holding a series of organizational activities during the month of January, 2019 to reach across our demands to all our stakeholders, which inter-alia, include our protest against the Cabinet approval of the proposed merger of Vijaya Bank and Dena Bank with Bank of Baroda; Our demands for a respectable wage settlement based on Charter of Demands; an unconditional and

clear mandate; updation of pension and revision in family pension; scrapping of NPS, protesting against forced mis-selling of third party products et al. It was also decided to intensify the Twitter Campaign #SavePublicSectorBanks, #StopMerger to certain related Twitter Handles such as @PMOIndia, @FinMinIndia, @IBA_org_in, besides the Twitter Handles of all Hon'ble MPs / Chief Ministers / other Lawmakers, eminent personalities, social workers so as to create a huge impact on the opinion making process in the country. Accordingly, we have chalked out the following agitation programmes for the coming 10 days to be observed throughout the Country with zeal and enthusiasm. We will in due course share our official Twitter Handle with our Affiliates.

Date	Agitation Programme
07.01.2019 onwards	Massive Twittering Campaign: #SavePublicSectorBanks #StopMerger to the <i>Twitter Handles of all Hon'ble MPs / Chief Ministers / other Lawmakers and other eminent personalities / all relevant departments of Govt / related Agencies</i> – particularly those to whom we have submitted our Memorandum at different parts of the country. Affiliate wise allocation for taking leadership in the Massive Twittering Campaign would be intimated shortly.
10.01.2019	After office hours (evening time) Demonstration in front of Vijaya Bank, Dena Bank, Bank of Baroda at all State Capitals and major centres viz. District HQs, Sub-division HQs, Tahsils etc. and will continue till further instruction. Other Affiliates of the concerned centre should be present in large numbers at the demonstration venue with a complete roadmap by the respective AIBOC State Unit.
11.01.2019	Distribution of Pamphlets at branches / market places / railway stations / bus stands etc. (to be prepared in local languages) (soft copy in English will be provided).
14.01.2019	After office hours (evening time) Human Chain in front of Dena Bank and Vijaya Bank – at all State Capitals and major centres viz. District HQs, Sub-division HQs, Tahsils etc.
15.01.2019	After office hours (evening time) Candle Light Rally at all State Capitals and major centres..
16.01.2019	Press Meet at all State Capitals.
17.01.2019	After office hours (evening time) Demonstration in front of Vijaya Bank, Dena Bank, Bank of Baroda at all State Capitals and major centres viz. District HQs, Sub-division HQs, Tahsils etc.
<i>Needless to emphasize that Signature Campaigning has to be continued. Since UFBU Meeting is slated on 17.01.2019 on the issue of merger and the attitude of IBA in regard to wage negotiation, the next round of agitation programmes would be intimated after the said meeting.</i>	

It has also been decided that a Maha Morcha will be organised under the banner of AIBOC at Delhi tentatively on 2nd February, 2019 with a minimum targeted participation of 30,000 members. The major issues of the said Morcha would be: 1) Against Amalgamation / Merger of BoB - Dena Bank - Vijaya Bank, 2) protesting the merger of RRBs, 3) demanding unconditional and clear mandate for the wage

revision talks, 4) negotiation on the Charter of Demands submitted by four Officers' organisations, 5) improvement in Pension / Family Pension, 6) Replacement of New Pension Scheme (NPS) with Defined Benefit Scheme etc. The Maha Morcha will be addressed by representatives from Central Trade Unions and major political parties of the country.

All Affiliates / State Secretaries are requested to take note of the above programmes and ensure full participation of members. For effective observation of the programmes, following few areas may be explored:

- ➔ To involve stake holders from all segments of the society including retirees
- ➔ To involve other trade union organisations,

eminent personalities of the society, resistance groups etc.

- ➔ State Units may formulate innovative programs like nukkad natak (street drama), songs in local languages against merger etc. in addition to the above programmes.
- ➔ To ensure extensive coverage by Media – both print and electronic.

ISSUE OF LETTER TO SENIOR MEMBERS FOR STRIKE PARTICIPATION FEDERATION COMMUNICATION TO THE MANAGEMENT

On receipt of information from our members and the affiliates about the bank issuing a threatening letter to our Senior Officers, we have sent a communication to the bank protesting against the action of the management. The copy of our letter is enclosed.

2. We appreciate the militant stand taken by our senior comrades and appeal to all of them not to deter from the stand due to communication issued by the Management. We assure all our members that the Federation will stand by them and take all necessary steps to protect them from any victimisation by the management.

**Text of our letter No:6032/01/19, Dated, 4th January, 2019, Addressed To
The Dy .Managing Director and CDO,State Bank of India,
Corporate Centre, MUMBAI - 400 021.**

PARTICIPATION OF SCALE IV AND V OFFICERS IN STRIKE ON 21.12.2018 AND 26.12.2018

The All India State Bank Officers' Federation is a representative trade union of State Bank officers in the country. It is also known for its pragmatic and progressive trade union approach. We have proven track record of positive industrial relationship in the bank. The strike call on 21st December, 2018 was called by All India Bank Officers Confederation, with regard to Salary Revision and other issues and AISBOF being a constituent of AIBOC, followed the directions. The membership is open to all grades and scales. The call of the Confederation is applicable to all. Similarly, the call for the strike on 26th was given by the United Forum of Bank Unions and AIBOC being one of the constituent, our members participated in the strike.

become a member of the Association. You had explained the Bank's views in the matter and clarified that the constitutional position as stated by the Federation is correct. A copy of the Minutes of the said meeting is enclosed herewith for your ready perusal. As a member of the IBA the bank should have taken initiative to resolve the crisis rather taking a hard line on the issues which are settled ones.

The issuance of letters by the Management to Officers on participation of strike was discussed at length on 07/06/2007, when we expressed our objection over the various communication issued by the Management on the strike issue and said that these were provocative in nature particularly advising officers in scales IV and V not to enroll as members of the Association. We further clarified that any officer of the Bank has a constitutional right to

We understand that the Circle Managements have served a letter to our senior officers threatening for their participation in the strike call given by AIBOC and UFBU on 21st and 26th December, 2018 respectively. The strike call was given in pursuance of our demand for unrestricted mandate and a reasonable fair and equitable salary revision for all and also against the decision of the Government to merge the PSBs. The bank issuing such a communication is indeed highly provocative and unwarranted. The strike action was legitimate and a fundamental one. The call was given by the Confederation and UFBU, the apex body of Bank unions and the Federation is committed to fight against any victimisation of the officers by the bank. We therefore appeal to you to resist from such provocative action and advise the Circles to withdraw these letters immediately. We hope considering the sound industrial relations in the Bank, you will arrange for immediate withdrawal of these letters.

LET CUSTOMER SERVICE BE OUR MOTTO

LETTER TO SHRI ARUN JAITLEY, HON'BLE FINANCE MINISTER, GOVT. OF INDIA AGAINST THE STATEMENT REGARDING BANK OFFICERS

Text of AIBOC Circular No. 2018/97 dated 30th December, 2018

YOUR STATEMENT REGARDING ACTION TAKEN AGAINST BANK OFFICERS IN CONNECTION WITH NPAS

This has reference to your recent statement on the action taken against bank officers being held responsible for staff delinquency in NPA accounts. You have been quoted in the media as stating: As per the inputs received from nationalised banks, in FY 2017-18, 6,049 officers have been held responsible on account of staff delinquency in NPA accounts...minor penalty/major penalty have been imposed against erring officials and in all the cases, depending upon the amount involved, CBI and police complaints have been lodged. (Source: <http://www.ptinews.com/news/10273687-Over-6-000-officers-of-PSBs-held-responsible-for-bad-loans-in-FY18-Jaitley.html>)

02. The All India Bank Officers' Confederation (AIBOC), the largest trade union of officers in the banking sector commanding a membership of over 3.20 lakh officers is shocked and appalled by your biased and misleading statement, which tries to deliberately portray the bank officers as the main players responsible for the NPA mess. We want to convey the deeply resentful response to this statement expressed by our membership as well as vast sections of ordinary bank customers.

03. We would like to draw your attention to the fact that the total number of officers in PSBs stood at 405042 in March 2018. Hence, the number of delinquent officers, even as per the management's estimates, is less than 1.5% of the total number of bank officers. You could have simultaneously clarified while making your statement that the number of officers penalised were a minuscule minority of the total strength of officer cadre in the PSBs, and that the overwhelming majority of them are honest and hard working officers, who serve the bank customers diligently and provide banking services to the marginalised and weaker sections of society.

04. Your Ministry seems to have forgotten the services rendered by the bank officers in nation

building, fulfilling the objectives enshrined in the Indian Constitution, achieving vital socio-economic goals including the green and white revolutions, achieving self-sufficiency in foodgrains production, liberating millions of small and marginal farmers from the clutches of money lenders and financing industrial and infrastructure projects, which have all contributed to economic development. During the global financial crisis of 2008-09, the PSBs in India stood like a rock and prevented the deposits of the Indian people from getting adversely affected. The schemes of your government like the Jan Dhan Yojana, Mudra Yojana etc. have all been implemented by the officers of the PSBs. During the harrowing period after the announcement of demonetisation, in November-December 2016, the bank officers worked day and night to deposit and exchange 86% of the economy's currency in circulation which were proscribed overnight by the Prime Minister. Eleven of our fellow officers died during that period, due to stress and overwork. Coming after all this, your statement has caused much hurt and anguish to the entire officer community.

05. It is also pertinent to note that "bank officer" cadre encompasses junior-most front desk officers to the chairpersons of the banks. Beyond Assistant General Managers, the cadre is called top executives. The usage of the term "bank officers", without any reference to the executives, creates the impression that lower rung bank officers are mainly responsible for the accumulation of NPAs. This is a totally misleading.

06. Over 75% of the total stock of NPAs is on account of large corporate entities. Such large corporate loans are sanctioned by the top management executives and not the lower rung officers. Big-ticket loans have been mostly sanctioned by the Bank Boards or Committees constituted by the Boards. How many instances are there where the Government has held the members of the Bank Boards and the top management executives responsible for the big ticket corporate loans becoming NPAs? When it is the top management executives who enjoy the lucrative incentives, unmatched perks, power and authority, should they not be held primarily responsible for the erroneous decisions made by the Bank Boards?

BE TRUTHFUL, BE FEARLESS

07. The Bank Boards also have representatives/nominees from RBI, Finance Ministry and others nominated by the Government. Your statement does not mention any action being taken against any such Director, holding them responsible for any of the NPAs. Are they not responsible? Is it also not a matter within the knowledge of the Government that RBI wants to withdraw their representatives from the Boards of the PSBs in order to insulate themselves from administrative and credit decisions of the Bank? Is this not another instance of shirking responsibility? Your Government has stopped nominating the workmen and non-workmen (officers) Directors on the Bank Boards, despite our persistent efforts. Even then, the officers are being given the blame while not a word is spoken regarding the accountability of the Bank Boards.

08. The AIBOC has been consistently demanding the disclosure of the list of wilful corporate defaulters, in order to name and shame them and to prevent them from doing further damage to the banks. Despite our repeated requests and letters addressed to the Reserve Bank of India and to your Department, no action has been initiated so far. The decision makers of the Finance Ministry appear to be uninterested in divulging the details, despite being prodded by the Hon'ble Supreme Court and the CIC. We fail to understand the logic that revealing the names would shake the confidence of stakeholders in the banking system. No purpose is being served by this non-disclosure other than protecting the wilful corporate defaulters.

09. Corporate defaulters, economic offenders and fraudsters like Vijay Mallya, Nirav Modi, Mehul Choksey etc. have fled from the country after fleecing the PSBs of thousands of crore. They could run away because of the lapses on the part of the Government and investigating agencies. How many such individuals have been allowed to flee the country? Why are you silent on the lapses on your part?

10. From our own experience, we feel that the large-scale accumulation of NPAs in PSBs has occurred because of the following reasons:

- a. Most of the defaults/delinquencies pertaining to large corporate houses are on account of evil design, misuse of trust and confidence reposed by the banks in their brand value and corporate stature.
- b. Large advances are generally made under multiple banking/consortium arrangements, where the loan proposals travel through many pairs of eyes before it is sanctioned. These loans are sanctioned at the highest levels of the individual banks. The possibility of nexus between PSB managements and delinquent corporates need to be probed seriously.
- c. As far as bank officers are concerned, they are faced with several handicaps: i) PSBs entered into an arena of Post closure of Infrastructure and Development Institutions viz. ICICI, IDBI etc. with inadequate expertise, exposure and experience in project financing; ii) Misplaced business priorities thrust by the managements; iii) Too much of multi-tasking; iv) Fear of being branded as non-performers; v) Directives of top management on credit decisions; vi) Priority to non-banking activities like cross-selling and vi) Inadequate staffing being the mother of all ills.

On behalf of AIBOC, we urge upon you to understand the NPA problem in its entirety and refrain from making prejudiced statements, which will only vitiate the environment within the banking sector. An early clarification on this matter from your side would be much appreciated.

**NATIONWIDE ONE DAY TOKEN STRIKE A GRAND SUCCESS
BANKING INDUSTRY VIRTUALLY CLOSED
KUDOS TO OUR MEMBERS FOR TOTAL PARTICIPATION**

21st December 2018 is yet another glorious day in the history of the All India Bank Officers' Confederation which stood for the protection of the interest of the entire officers' fraternity in the country. The salary revision talks are stuck up due to the adamant attitude of the IBA and the negotiations have become a frustrating exercise with IBA taking a negative stand on almost all the issues. The fractured mandate remains a major issue. The issue of merger,

the issues of IDBI Bank and Catholic Syrian Bank Officers are the issues on which IBA is refusing to resolve the same. The demand for the reasonable enhancement in the offer of IBA towards salary revision, the demand for scrapping of old NPS and reintroduction of old Pension Scheme the improvement in the superannuation benefits of the retirees are high on the agenda of the Confederation. The sinister design of the IBA and the Government

OUR LIFE IS WHAT OUR THOUGHTS MAKE IT

is to break the unity of the Officers' fraternity in the banking industry by dividing them as Scale I to III one group and Scale IV and above as the other group in the matter of the salary revision in the current bipartite negotiations. It was not the first time that such a stand was taken by the IBA and the Government and on the earlier occasion good sense prevailed and they had to reverse their approach and give a total mandate to the Indian Banks' Association. However, this time some of the bigger banks have raised a similar issue in the current negotiations. The Confederation made all efforts to convince the Bank Managements for giving unconditional & full mandate for IBA to negotiate on salary revision. The efforts of the leadership of AIBOC to convince both the IBA and the Government till the last moment with the intervention of CLC and though the CLC suggested to the IBA and the Government to adopt a flexible approach to resolve the present crisis, the IBA backed by some of the bigger banks and the Government did not change their stand forcing the AIBOC to put through the strike action.

2. Comrades, it was a grand show of strength and a message to the Government and other agencies that the Officers are united and they cannot be divided through their ulterior motive of de-unionization of the officers through divide and rule policy. We have been receiving reports from all parts of the country that the strike has been a grand success. The massive demonstrations in front of the head quarters of the various banks in the State Capital, the Metro-cities, the District and Taluk headquarters as well as almost all big centres is heartwarming. The reports reaching the headquarters of the Federation and the Confederation indicates that the members took out rallies, the processions and held dharanas in a large numbers attracting the attention of the Public as well media. The electronic media also gave a very good coverage to the strike action by the members of the Confederation.

3. We are also happy to note that the fraternal support has been extended by all the trade unions in particular the NCBE & other constituents of the United Forum of Bank Unions and they have also extended their greetings on the occasion and conveyed their total support to the striking members of AIBOC. The unions from the Public Sector Units, the Confederation of Central Government officers & the National Confederation of Officers Association(NCOA), the Pensioners organizations have extended their fraternal support to our struggle.

4. At the headquarters of the Federation, the mammoth gathering in front of the State Bank of India, Local Head Office, St.Marks' Road is a militant message to the IBA and the Government. The demonstrations commenced with the slogan raising by the members who were present on the occasion. Com. S.K.Srinivas General Secretary SBIOA (K) and Jt. General Secretary AISBOF who was in charge of organizing the demonstration, welcomed all the members for the demonstration and also explained at length the various issues involved in the strike action and appealed to all the members to be readiness for the further struggle

5. Com. Ramkumar Sabapathy, the Senior Vice President of AIBOC, and the General Secretary of AISBOF in his address elaborated the grounds on which the Confederation had to challenge the attitude of the IBA and the Government and go ahead with one Day Protest Strike as all avenues for an amicable resolution of the stalemate has failed. He also explained at length the negative attitude of the IBA in considering the reasonable demand of the Confederation since the larger banks are aiming at introduction of Performance Linked Pay based on the performance of Banks. The Confederation consists of the membership from Scale I to the top most officials of the bank. The Confederation has the responsibility of defending the job security as well as the right to decide about the compensation of all the scales and grades without any discrimination. Hence, we are justified in our agitation and we will continue until the goals are reached, declared Com.Ramkumar Sabapathy, amidst thunderous applause and the strong slogans to send a warning signal to the IBA and the Government that the Officers' cannot be silenced through the dubious methods.

6. The leaders and the former leaders of the Confederation who spoke on the occasion included Com. Jagadish, com. Tapas Ghosh, Com. Madhusudhan, Com. G.D. Nadaf, com. B.S. Ravindra, Com. Kiran.

7. A large number of Pensioners and Family Pensioners' were also present on the occasion. On behalf of the Pensioners and Family Pensioners fraternity Com. A. N. Krishna Murthy spoke on the occasion.

9. We are now moving to the 26th Strike under the banner of UFBU – it is for the IBA and the Government to take note of the resentment of the bank Officers & employees and to resolve all the issues in case they wish to avoid further confrontation. Let us be prepared to make our 26th Strike also a grand success

LET US BUILD A STRONG AND SELF RELIANT INDIA

for the bank employees in the country.

10. Comrades, the struggle will continue until all the issues raised by the Confederation is resolved. We should be prepared for a greater struggle and sacrifice in order to ensure a fair deal to the Officers

community in the banking industry. The leadership of the Confederation will meet shortly and take appropriate decisions in regard to the further course of action. In the meantime, we appeal to all our members to be in full readiness to tackle the issue and take our struggle to a logical end.

DISCIPLINARY PROCEEDINGS

DELEGATION OF ADMINISTRATIVE POWERS

RECONSTITUTION OF APPELLATE COMMITTEE AND REVIEWING COMMITTEE

The Bank has made certain changes in the constitution of the Appellate and Reviewing Committees in terms of Rule 69(1) where

Officers are entitled to appeal against the orders passed by the authorities concerned imposing penalties specified under Rule 67.

EMPLOYEE'S PHOTO UPLOAD SERVICE IN HRMS

The Bank had introduced a system of uploading photographs of employees was developed in the HRMs during the year 2012. However, as it was utilized by only a few employees, the Bank has now reiterated its instructions, suggesting

its utilization by all the employees, as it will provide an opportunity to them to interact with the visiting officials during audit/inspection/joining deputation etc., and to verify their credentials.

IN THE SUPREME COURT OF INDIA CIVIL APPELLATE JURISDICTION CIVIL

APPEAL No. 10812 OF 2018 [Arising out of SLP (C) No.8774 of 2018]

S. Mahesh

..... Appellant(s)

Versus

The Chairman Cum Managing Director, Neyveli Lignite Corporation Ltd.

Neyveli Tamil Nadu & Ors. Respondent(s)

HON'BLE MR. JUSTICE ABHAY MANOHAR SAPRE,

HON'BLE MS. JUSTICE INDU MALHOTRA

JUDGMENT

1. 2. Leave granted. This appeal is filed against the final judgment and order dated 05.03.2018 passed by the High Court of Judicature at Madras in W.A. No.273 of 2017 whereby the Division Bench of the High Court set aside the order dated 07.11.2016 passed by the learned Single Judge in W.P. No.15312/2010 and allowed the writ appeal filed by the respondent herein.

3. The controversy involved in the appeal is short. However, few relevant facts herein below need mention to appreciate the controversy.

4. The appellant (employee) was the writ petitioner whereas the respondent herein (employer) was the respondent in the writ petition filed by the appellant in the High Court of Madras against the respondent out of which this appeal arises.

5. The respondent herein is the Government

Company known as Neyveli Lignite Corporation Ltd. It is mainly engaged in the business of manufacture and sale of minerals (lignite). It has an office and business activity in South Arcot (Tamil Nadu).

6. The respondent (hereinafter referred to as "the Corporation") being a fully owned Government Company is a "State" within the meaning of Article 12 of the Constitution of India and is thus amenable to the writ jurisdiction under Article 226/227 of the Constitution of India.

7. Pursuant to advertisement issued by the Corporation for the appointment of "Diploma Engineer Trainee Grade II (Electrical)", the appellant was one of the candidates who applied for the said post. The appellant was interviewed by the Corporation and selected for the said post. The Corporation on 28.01.1988 accordingly issued an appointment letter to the appellant. (Annexure P1).

8. In terms of the appointment letter, the appellant was initially appointed on probation for a period of

DUTY FIRST, RIGHT NEXT

two years as Trainee and on its successful completion, was to be appointed on regular basis as Engineering Supervisor (Electrical) on probation for a period of one year and then to be absorbed as a regular employee. The appellant was also required to execute Bond for a particular period.

9. At the time of the interview and the appointment, the appellant had produced photocopy of his Scheduled Tribe Certificate to the Corporation and had sought time to produce its original. The Corporation granted the indulgence to the appellant for producing his original Scheduled Tribe Certificate.

10. The appellant on 03.03.1988, however, sent a letter (Annexure R3) to the Corporation informing them that he belongs a community known as "Konda Reddi" which is a backward (ST) community. He said that he had approached the concerned Revenue Authorities for obtaining caste certificate in the prescribed form so as to enable him to submit it to the Corporation but the Revenue Authorities informed him that the Department has stopped issuing any such certificate. The appellant, therefore, expressed his inability to produce the original Scheduled Tribe Certificate and requested the Corporation to treat him as a candidate belonging to the "General Category" instead of "Reserved Category" in selection process.

11. The Corporation, on receipt of the aforesaid letter, issued a posting order No.1416/P&A/VI 2/883 dated 02.05.1988 to the appellant and asked him to report for duty. The appellant was also allotted quarter in general category as a part of his service condition. The appellant accordingly joined his duty on 02.05.1988.

12. It was almost after four years of his joining i.e on 24.05.1993, the Corporation served a memo to the appellant stating therein that appellant had submitted false community certificate at the time of joining and therefore why disciplinary action be not taken against him for filing such certificate.

13. It is not in dispute that the Corporation though issued this memo to the appellant but did not pursue the matter. On the other hand, the appellant was promoted to the rank of Junior Engineer Grade I with effect from 01.06.1993 vide order dated 16.12.1993. The appellant accordingly started working on the promotional post.

14. On 11.08.1995, the Corporation issued second memo to the appellant reiterating the same charge for which the first memo was issued. The appellant filed his reply and reiterated his stand which he had taken in his letter dated 03.03.1988.

15. The Corporation then conducted a Departmental Enquiry and recorded the statements of the Corporation's officials wherein the officials admitted that the appellant had sent a letter dated 03.03.1988 expressing therein his inability to produce the original caste certificate and further requesting the Corporation to treat him as general candidate instead of reserved candidate. They also admitted that the appellant's request was accepted by DGM/P&A.

16. Despite this, the Corporation concluded in the enquiry that the charge leveled against the appellant has been proved. The appellant was accordingly awarded a punishment of "reduction of rank to a lower stage by two stages in his time scale for a period of 2 years with cumulative effect". The Corporation also ordered that henceforth the appellant be considered as general category candidate and that he would not be allowed to avail any benefits which are extended to the reserved category candidates. The appellant felt aggrieved and filed Departmental Appeal. It was, however, dismissed.

17. After three years i.e. on 20.09.2000, the Corporation for the third time issued a memo again asking the appellant to produce his community certificate in original for its verification. The appellant replied to the said memo reiterating his earlier stand saying that he had already informed vide his letter dated 03.03.1988 and in the enquiry proceedings to the Corporation that it was not possible to produce the original certificate for the reasons mentioned therein. The appellant further said that he never took any benefit of reserved candidate in the service because his request to treat him as general candidate was accepted by the Corporation.

18. The Corporation did not stop here and lodged an FIR against the appellant on 30.07.2001 in PS Neyveli Town (Crime No.219) for filing false caste certificate. On 04.11.2003, the Police Authorities submitted a report that there was no case made out against the appellant in the FIR. On 15.07.2008, the Magistrate in RC No.56/2008, on perusal of the FIR and final report of the Police Authorities, closed the case against the appellant.

19. After two years, the Corporation again renewed their efforts and this time, its director invoked the powers under Rule 30 of the NLC Employees (Control and Appeal) Rules (hereinafter referred to as "the Rules") and by order dated 07.07.2010 substituted the punishment imposed on the

NEVER BEND BEFORE THE INSOLENT MIGHT

appellant vide order dated 30.8.1997 to that of declaring appellant's appointment to be null and void.

20. The appellant, felt aggrieved, filed writ petition (W.P. No.15312/2010) in the Madras High Court questioning therein the legality and correctness of the order dated 07.07.2010. The Corporation contested the writ petition.

21. By order dated 07.11.2016, the learned Single Judge allowed the appellant's writ petition and quashed the order dated 07.07.2010. Feeling aggrieved of the order passed by the learned Single Judge, the Corporation filed intra court appeal before the Division Bench.

22. By impugned order, the Division Bench allowed the Corporation's appeal, and while setting aside the order passed by the learned Single Judge, dismissed the appellant's writ petition and upheld the order dated 07.07.2010 by which the appellant's appointment was held as null and void. It is against this order, the writ petitioner (appellant herein) felt aggrieved and filed the present special leave to appeal in this Court.

23. Heard Ms. V. Mohana, learned counsel for the appellant and Mr. Anil Nag, learned counsel for the respondent(s).

24. Having heard the learned counsel for the parties and on perusal of the written submissions filed by the parties, we are constrained to allow the appeal and while setting aside of the impugned order, allow the appellant's writ petition and restore the order of the Single Judge.

25. In our considered opinion, the entire action of the Corporation starting from issuance of second charge memo dated 11.08.1995 and ending by passing the order dated 07.07.2010 is arbitrary, unreasonable, and mala fide exercise of the powers by the Corporation against the appellant and hence the same is not sustainable in law.

26. In any event, the order dated 07.07.2010 which is subject matter of this appeal and with which we are really concerned in this appeal is wholly arbitrary, unreasonable and is not legally sustainable. This we say for following reasons.

27. First, the appellant at the first available opportunity and before joining the duties had sent a letter on 03.03.1988 of his own to the Corporation informing therein that it was not possible for him to produce the original caste certificate because the Revenue Authorities had declined to issue the original

caste certificate to him.

28. Not only that, the appellant further on his own requested the Corporation not to treat him as "reserved candidate" but treat him as "general candidate". In this way, the appellant, in our opinion, did not suppress any information relating to his caste certificate from the Corporation.

29. Second, the Corporation, in these circumstances, had three options; first, not to appoint the appellant which the Corporation did not opt; Second, to grant some more time to produce the caste certificate or any other material to prove the appellant's caste which again the Corporation did not opt and the third, to condone the lapse in filing the caste certificate and proceed to consider the appellant's case treating him as a candidate belonging to the general category for selection purpose which the Corporation opted.

30. Third, the Corporation by their express conduct having followed the third option and condoned the lapse by asking the appellant to join the duties, which the appellant did, and later further promoting him to the next higher grade, the issue relating to caste certificate lost its significance.

31. Fourth, in the light of aforementioned reasons, the Corporation, in our opinion, had no right to hold any Departmental Enquiry in relation to the issue of appellant's caste certificate because they condoned the issue of caste certificate by allowing the appellant to join the duties and later by promoting him to the next higher grade.

32. Assuming, however, that the Corporation could still probe the issue in relation to the appellant's caste certificate after allowing him to join, the Corporation having held a Departmental Enquiry and imposing the punishment on the appellant of "reduction of his rank to a lower stage by two stages in his time scale for a period of 2 years with cumulative effect" by order dated 30.08.1997, the issue of caste certificate attained finality in all respect.

33. The Corporation had thereafter no power to raise the issue of caste certificate again in any form against the appellant. In other words, the issue of caste certificate did not survive for any more consideration between the parties inasmuch as it was not a live issue between the parties.

34. Fifth, assuming that the higher authority had the power to enhance the punishment imposed on the appellant by taking recourse to powers under Rule 30, such power, in our view, could be exercised by the authorities within 90 days from the date of the

order of punishment.

35. In this case, the punishment order was passed on 30.08.1997 whereas the higher authority exercised his power under Rule 30 on 07.07.2010 by which the punishment order dated 30.08.1997 was cancelled and was substituted by an order declaring the appellant's appointment as null and void. This order was passed beyond a period of 30 days as provided in Rule 30 (3) which in clear terms provides that "no order enhancing the punishment under this rule shall be made after a period of 30 days from the date on which the original order of punishment was served on the employee charged".

36. In other words, the higher authority could pass the order under Rule 30 for revoking the original order of punishment dated 30.08.1997 as being bad and substituting it with another order declaring the appellant's appointment as null and void within 30 days from the date of punishment order i.e, it could be passed on or before 30.11.1997 but not beyond this date.

37. Since in this case, the order was passed almost after 13 years from the date of passing of the original punishment order, and hence on the face, it was bad in law.

38. In the light of aforementioned reasons, we are of the opinion that in whatever way the question is

examined, the entire action of the Corporation and in particular the order dated 07.07.2010 which is subject matter of this appeal is found to be wholly arbitrary, unreasonable and, therefore, it is held legally unsustainable.

39. The Single Judge, therefore, rightly set aside the order impugned in the writ petition whereas the Division Bench was not right in setting aside the order of the Single Judge.

40. We cannot, therefore, agree with the reasoning and the conclusion of the Division Bench but are inclined to concur with the reasoning and the conclusion arrived at by the learned Single Judge in addition to our own reasoning given above.

41. In view of the foregoing discussion, the appeal succeeds and is hereby allowed. The impugned order passed by the Division Bench is set aside and the order passed by the Single Judge (Writ Court) is restored.

42. As a consequence, order dated 07.07.2010 passed by the Director (Power) of the Corporation which set aside the order of punishment dated 30.08.1997 and in its place substituted the order by declaring the appellant's appointment void ab initio is hereby quashed.

.....J (ABHAY MANOHAR SAPRE)

.....J.(INDU MALHOTRA)

New Delhi, October 29, 2018 18

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