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AUGUST - 2025

OFFICERS' CAUSE

UNION IS STRENGTH

CONCILIATION MEETING HELD ON 11.08.2025 BY CLC

Text of AIBOC circular reproduced text of UFBU Circular no. 2025/12 dated 11.08.2025 for your information.

Further to the last round of conciliation meeting held on 17-6-2025, another round of conciliation meeting was held today in the CLC office in Delhi. Preceding this, Bipartite discussions were held between IBA and UFBU on 10-8-2025.

Prior to this meeting, meeting of the representatives of UFBU was held to discuss and take a common view on the issues.

UFBU Meeting: In the UFBU meeting, all the Unions expressed their serious concern about the undue delay on the part of the Government on the important issue of 5-Days Banking and felt that strike action on this issue should be revived at the earliest. Regarding recruitment of clerical staff in the Banks, the meeting noted that the process has started even though the Indents placed by the Banks are not adequate. It was further decided that the issue of recruitment of substaff in the Banks should be further pursued. On the issue of PLI, it was decided that the uniform formula provided in the bipartite Settlement/Joint Note should be honoured and Government's proposed formula for scale IV officers and above can be discussed, duly addressing issues like relativity with the other staff upto scale III and finetuning the formula on eligibility, applicability, cost outgo, etc.

Bipartite meeting with IBA: In this meeting, the IBA reported on the details of recruitment of clerks made by the Banks during 2024-25 and recruitment under process during the current year 2025-26. IBA also informed us that the issue of recruitment of substaff can be discussed further along with outsourcing some of the functions through bilateral negotiations. Regarding 5-day banking IBA informed that they are awaiting the approval of the Government. There were discussions on the issue of PLI as advised by the CLC and it was decided to continue the discussions to arrive at some acceptable suggestions to be submitted to the Government.

Conciliation meeting: The Conciliation Proceedings were held today. Besides IBA, representatives of all the PSBs and many private banks were present in the discussions. Representatives of DFS, Finance Ministry were also present. The following issues were discussed today during the course of conciliation:

1. Increasing attacks on bank staff by unruly customers/public: IBA informed that Secretary, DFS had addressed a letter to all the Chief Secretaries of the State Governments to extend all possible security arrangements to the Banks and thereafter, IBA has also sent its advisory to all the banks to ensure the safety and security of the bank staff and that the banks have been duly sensitized on this important issue. While thanking them for all these initiatives and measures, we pointed out that to prevent occurrence of attacks, Branches should be provided with permanent Armed Guards/Security Guards. We further pointed out that outsourced security staff will not serve the purpose.

After discussions, Dy. CLC advised the IBA and Banks to examine the suggestion of the Unions and take necessary decision on appointment of Armed Guards as provided in the Bipartite Settlement.

2. Adequate recruitment of staff: There were detailed discussions on this issue. IBA submitted the details of the vacancies that arose in PSBs in 2024-25 and 2025-26 on account of retirements, etc. and the number of CSAs indented from IBPS and actually reported.

Clerks/ CSAs	Reduction due to retirements, etc	Indent placed with IBPS	Reported
2024-25	14,066	22,927	17,647
2025-26	10,051	17,397	3,078 so far @
@ Figures as on date of collection, further recruitment/reporting process is still on.			

We pointed out that the above recruitment is not at all adequate as there is acute shortage of staff in Branches. IBA agreed that the issue can be further discussed and each Bank has to work out their manpower requirement. Regarding non-recruitment of substaff, we explained with figures as to how in all the Banks, not even the minimum of one sub-staff member is available.

We also pointed out that this is resulting in engagement of large number of temporary employees in the Branches including in cash department, currency chest, etc. We demanded that these vacancies should be filled through recruitment of permanent substaff in the Branches.

In response, IBA stated that IBA and the Banks are seized of the issue and are ready to discuss the issue further with us along with reaching bilateral understanding on outsourcing some of the functions which may not be undertaken by permanent substaff. We informed that such discussions should also include the issue of absorption of the temporary employees.

3. Revised PLI as per Government formula: IBA informed the Dy.CLC that the issue is under discussion with the Unions with a view to reach an amicable understanding. We also pointed out that we are open to discuss the issue while stating that the existing PLI scheme as per BPS/joint Note can be suitably modified addressing the issues of relativity, modality and cost-outgo. Dy. CLC advised the IBA and Unions to continue the discussions to arrive at an early understanding.

4. 5 Days Banking: IBA informed the Dy. CLC that they are still awaiting the approval of the Government. Representative of the DFS informed that the matter is still under consideration and the Government is yet to take a final decision in that regard. We pointed out that the strike call in March, 2025 was deferred only to enable the Government to expedite the decision and also based on their assurance to do so. We expressed our deep disappointment and displeasure over the undue delay and informed that UFBU would be constrained to revive the strike call if there is further delay in the matter. Dy. CLC, after discussion informed that their communication to the DFS to expedite the issue would be followed up to ascertain the steps taken by the Government.

5. Enhancement in Gratuity by amending the Act: We brought to their attention that the ceiling under the Gratuity Act needs to be enhanced to Rs. 25 lacs similar to the scheme for Government employees. We were informed that the issue is being expedited and an early decision is expected.

6. Non-filling up of Workman Director/ Officer Director in the Banks: The DFS representatives informed that already recommendations have been sent to the Appointments Committee of the Cabinet for 14 cases and their approval is still awaited.

7. Wage revision in CSB Bank: We pointed out that the Bank management in CSB Bank had agreed to negotiate and settle the issue on receipt of the charter of demands but so far the issue is being delayed even though Unions have submitted the demands. The Dy. CLC advised the representative from CSB Bank to start negotiations with the unions to resolve the same amicably.

The proceedings have been adjourned to 15-10-2025.■

UFBU WRITES TO DFS PROTESTING THE INSTRUCTION FOR OPENING BRANCHES ON SUNDAY, 3RD AUGUST, 2025

Text of UFBU letter dated 02.08.2025 addressing to the Secretary, Department of Financial Services, Govt. of India, protesting the instruction of opening Bank branches on the Sunday, 3rd August, 2025.

SUBJECT: Direction to keep Bank Branches open on Sunday, 3rd August, 2025 – Grave concern regarding employee welfare and work-life balance

On behalf of the United Forum of Bank Unions (UFBU), representing the entirety of the workforce, i.e. Managers, officers and employees of the banking sector across the country, we wish to convey and express our deep anguish and concern over the latest directive issued by the Department of Financial Services to keep bank branches open on Sunday, 3rd August, 2025, specifically for the disbursement under the PM-KISAN scheme.

We also refer to the communication from the Ministry of Agriculture, Department of Agriculture & Farmers Welfare letter No. 0.0. No. 9-3/2025-FWS-Part (4) dated 29th July, 2025 in this regard.

Based on these instructions and directive, all the Banks are instructing the Branches to be kept open on Sunday, the 3rd August, 2025 to enable payments to me made to the beneficiaries.

While we reaffirm our commitment to nation-building and implementation of Government's welfare schemes through the banking system, an obligation that the public sector banks have always fulfilled with utmost responsibility and integrity, it is imperative to point out the manner and implications of this directive, which sets an extremely unhealthy precedent and disregards the rights and well-being of Bank Managers, officers and employees.

No notification has been issued by the Reserve Bank of India (RBI) declaring 3rd August, 2025 (Sunday) as a working day under the Negotiable Instruments Act. There has also been no Gazette notification to the effect that 3rd August, 2025 Sunday will be a working day for the Banks.

In the absence of such a notification, banks are not legally authorized to open the CBS system and transact business on this day. This omission implies that the business conducted will not be legally recognized for cheque clearing, interbank transactions, or other legally compliant operations. Yet, banks have been instructed to remain open and function, thereby placing the workforce in a legally ambiguous and administratively unprotected position.

The banking workforce is already operating under immense pressure owing to staff shortages, ever-increasing customer footfall, unreasonable business targets, and responsibilities of implementing multiple government schemes. It is a well acknowledged and growing concern that mental health issues, suicides, and stress induced ailments among bank employees are on the rise.

It can be noted that with this instruction to work on 3rd August, 2025, bank staff have to work for 12 consecutive days, i.e. from 28th July, 2025 to 8th August, 2025. This is beyond the purview of any provisions of labour laws that entire staff have to work for such continuous period without any break and one can imagine the fatigue and exhaustion that the staff would be subjected to by the same.

The Government must be aware much in advance that the 20th instalment under the Scheme was due on these dates and could have asked the Banks to work out a method to handle this work through discussion with the Unions so that the process becomes smooth and less-cumbersome.

Despite repeated demands and long-pending negotiations for a 5-day work week, which is a globally acknowledged necessity for physical and mental well-being, the Government has shown no urgency in resolving the matter. Instead, directing banks to work on Sundays, without legal validation, compensatory safeguards or systemic support, is not only a contradiction of public commitments but also a blatant disregard of employee welfare.

It must be noted with due emphasis that Public Sector Banks (PSBs) are the backbone of the Government's financial inclusion and Direct Benefit Transfer infrastructure. Almost 100% of schemes like PM-KISAN are implemented through PSBs. The customer-to employee ratio in public sector banks stands at an alarming 1 : 2100, compared to around 1 : 400 in private sector banks, highlighting the sheer magnitude of workload shouldered by a dwindling staff force in the PSBs.

The Government's lopsided approach to enhancing operational efficiency particularly through the implementation of its schemes via public sector banks even keeping branches open on holidays, which shoulder nearly 100% of the responsibility is deeply concerning. While leveraging these institutions to drive national initiatives, it continues to ignore the plight of the very employees who make this machinery work.

In such a context, directing bank branches to remain open on a Sunday that too without prior planning, legal sanctity, or consideration for the physical and mental fatigue of the staff is not just unfair but indicative of a flawed model of governance and administration.

We, therefore, demand the following in the immediate and long-term interest of the banking workforce and efficient public service:

➡ Immediate withdrawal of directions to keep branches open on Sundays or holidays unless legally mandated under the N.I Act and through Gazette notification.

➡ Uniform norms to be worked out in discussions with the Unions/Associations on compensation for working on holidays, financial incentive for employees, Overtime wages, etc. including for working on Sunday, 3rd August, 2025.

➡ Fast-tracking the long-pending implementation of already agreed upon 5-day workweek.

We urge the DFS to intervene decisively and effectively to address this issue with fairness and foresight. Continued neglect of workforce concerns will not only impair employee morale but may also lead to industrial unrest and irreparable damage to the trust between the workforce and the Government.

We trust that the concern raised herein will be treated with the seriousness that it warrants.■

FRATERNAL SUPPORT TO THE ALL INDIA STRIKE IN IDBI BANK ON 11TH AUGUST, 2025

Text of Letter No. AIBOC/2025/15 dated 01.08.2025

Addressed to Shri Devidas Tuljapurkar, Convener, United Forum of IDBI Officers & Employees, C/o AIDBIOA, 1st Floor, IDBI Tower, Mumbai – 400 005.

We write this letter to convey our wholehearted and unequivocal fraternal support to the call for an All-India Strike on 11th August 2025 given by the United Forum of IDBI Officers & Employees Unions in protest against the covert move of privatization through the process of disinvestment of capital to the extent of 30.48% by LIC and 30.24% by the Government of India through the Department of Investment and Public Asset Management (DIPAM) which has now reached to its final phase of culmination.

This decision of the Government of India and LIC to divest a combined 60.72% stake in IDBI Bank and bring down their collective holding to a mere 34% is nothing short of an attempt to dismantle the public sector character of the Bank. As we understand, this disinvestment process is going to pave the way for foreign entities to acquire a majority stake in the Bank which we acknowledge as being deeply disturbing and fraught with serious implications for our country's financial sovereignty.

IDBI Bank has a legacy as a Development Finance Institution and its transformation was never meant to end in privatization. The proposed move contradicts the very assurances made on the floor of Parliament since 2003 that the Government would retain a minimum 51% equity.

AIBOC stands firmly against the systematic dilution of the public sector banking system through backdoor privatization and foreign takeovers, the move which betrays the purpose apart from being detrimental to national interests and public trust.

The time has come to unite and resist. Privatization of one bank is a precursor to privatization of all. Let us fight this not just for IDBI, but for the future of India's public sector banking and we stand rock solid against any such heinous attempt on the part of the protagonists.

We call upon all our affiliates and state units to participate in protest, demonstrations, seminars or meetings organised by the United Forum of IDBI Officers & Employees to express our solidarity and support for its cause. ■

KEY AMENDMENTS TO BANKING LAWS COME INTO FORCE FROM AUGUST 1, 2025

Reforms under the 2025 banking law include governance changes, enhanced audit rules and stronger depositor protection for PSBs, cooperative and private banks

Major provisions of the Banking Laws (Amendment) Act, 2025 will come into effect from August 1, 2025, according to a government notification issued this week. The changes mark a significant push to strengthen governance standards, improve depositor protection and raise audit quality across India's banking sector.

> ***The government stated that the implementation of these provisions represents a decisive move towards modernising the regulatory and governance framework of Indian banking and bringing it in line with evolving global best practices.***

The Ministry of Finance, through Gazette Notification S.O. 3494(E) dated July 29, 2025, has notified the commencement of sections 3, 4, 5, 15, 16, 17, 18, 19 and 20 of the legislation, which was enacted on April 15, 2025.

The Banking Laws (Amendment) Act, 2025 introduces a total of 19 amendments across five major laws—the Reserve Bank of India Act, 1934; Banking Regulation Act, 1949; State Bank of India Act, 1955; and the Banking Companies (Acquisition and Transfer of Undertakings) Acts of 1970 and 1980.

Among the key reforms, the definition of 'substantial interest' has been significantly revised by raising the threshold from ₹ 5 lakh to ₹ 2 crore—a limit that had remained unchanged since 1968.

To align with the 97th Constitutional Amendment, the tenure of directors (excluding chairpersons and whole-time directors) in cooperative banks has been increased from eight years to 10 years, ensuring greater consistency in board-level appointments.

Public sector banks (PSBs) will now be allowed to transfer unclaimed shares, interest amounts and bond redemption proceeds to the Investor Education and Protection Fund (IEPF), aligning PSBs with provisions applicable to companies under the Companies Act. Another important measure enables PSBs to offer remuneration to statutory auditors—an effort aimed at enhancing the quality and independence of audits.

The government stated that the implementation of these provisions represents a decisive move towards modernising the regulatory and governance framework of Indian banking and bringing it in line with evolving global best practices.■

Source: Business Standard e-Paper dated 1st August 2025

PSU BANKS HIT HARDER BY COMPRESSION ON YIELD ON ADVANCES IN Q1FY26

By..Manish M. Suvarna is Senior Correspondent at Moneycontrol.

According to data compiled by Moneycontrol, yield on advances for PSU banks dropped by 15–71 basis points (bps), significantly more than the 12–30 bps reduction observed for private banks.

State-owned lenders have witnessed a sharper decline in the yield on advances compared to their private peers during the first quarter of the current financial year, according to the Moneycontrol's analysis.

Private banks managed loan yields by way of diversified portfolios but their business growth was affected by high credit-to-deposit ratios. In contrast, state-owned lenders with more room for lending saw yield compress from lower returns on retail loans and reduced exposure to high-yield segments like NBFCs and unsecured credit, analysts said.

According to data compiled by Moneycontrol, yield on advances for PSU banks dropped by 15–71 basis points (bps), significantly more than the 12–30 bps reduction observed for private banks.

"Private banks have been able to manage their yields on advances supported by a diversified loan portfolio," said Sanjay Agarwal, Senior Director at CareEdge Ratings. "PSU banks, on the other hand, with their lower credit-to-deposit (CD) ratios, had more headroom for growth but experienced yield compression due to a shift away from riskier high-yield segments."

He further noted that repricing of the corporate loan book took place as corporates negotiate lower rates after the repo rate cuts by the Reserve Bank of India (RBI) or explore the capital market due to lower yields

In the PSU banking space, IDBI Bank saw a reduction in yield on advances by 71 bps on-year in Q1FY26, followed by 59 bps of Bank of India, 38 bps of Bank of Baroda, and 32 bps of Bank of Maharashtra.

Similarly, in the private banking space, the highest reduction of 30 bps each was seen by YES Bank, HDFC Bank, and South Indian Bank. This was followed by 27 bps and 12 bps of ICICI Bank and Karur Vysya Bank, respectively.

Analysts said that banks are seeing their margins being pressured in the first quarter of the current fiscal year due to subdued business growth, faster transmission of lending rate cuts, along with a lag in deposit repricing and reduced offtake from high-yield segments like NBFCs, and unsecured personal loans.

As per a CareEdge report, net interest margins (NIM) declined by 18 bps year-on-year in Q1FY26. Private banks and PSUs' NIMs declined by 16 bps and 21 bps on-year, respectively, due to subdued credit growth particularly in the corporate and unsecured segment.

Looking ahead, NIMs are expected to remain under pressure unless there is a material shift toward higher-yielding loans or a correction in deposit costs in the latter half of the year, analysts said.■

FOCUS GENNEXT: STATE BANK OF INDIA LOOKS TO REBOOT ITS HR STRATEGY

SBI plans to engage a management consultant to develop a long-term HR strategy focusing on employee engagement, talent acquisition, and digital transformation.

For SBI, which employs nearly 2.36 lakh people and has around three lakh pensioners and family pensioners, ELCM is critical for ensuring smooth HR operations across all stages—from hiring to retirement.

India's biggest lender and one of its largest employers could soon be using artificial intelligence (AI) to aid its hiring practices, right from screening candidates to onboarding new employees, and is looking to devise a life cycle-based framework with a skill upgradate pathway to keep them engaged through their working careers.

A generational and aspirational shift in its employee base, along with the rapid rise of digital banking, is compelling the State Bank of India (SBI) to relook at its Human Resource (HR) management practices and build a 'future ready' organisation with a rich talent pool. The bank is clearly betting that more engaged employees with updated skill sets and a sense of purpose in their career trajectories, could translate into greater traction with customers.

To get the ball rolling, the bank, which aspires to be among the top 10 global banks in terms of market capitalisation over the next five years, has decided to engage a management consultant to develop a five- and 10-year HR strategy. The consultant is expected to advise on aligning the state-backed lender's HR policies and processes with its overall performance goals, and benchmarking with industry best practices.

The consultant's mandate includes studying and reviewing SBI's current HR strategy, operating model and technology landscape, with an indicative timeline of 18 months to complete the project, according to the bank's document calling for expressions of interest from human resources consultancies.

A senior SBI executive said that over the past decade, there has been change in expectations of people joining at entry level – clerical as well as probationary officers. "Their approach to a career with the bank is different. It is more opportunity-based than a long-term commitment. Hence, preparing career development plans has assumed significance," he noted.

Moreover, enhanced competition in every banking segment – including retail, industry and agri lending — and the rising share of digital and information technology tools, have heightened the need for imparting new skills and re-skilling existing staff. The bank is hiring more professionals with domain-specific skills and experience, be it in risk management, digital and cyber management. Many of them come at middle and senior positions. Their integration with systems and the organisation's ethos needs special attention, the executive said.

The bank has cited growing expectations among employees for inclusive, agile, and purpose driven workplaces. This, it said, necessitated a realignment in SBI's HR strategy to create enhanced value creation through the Employee Life Cycle Management (ELCM) framework focusing on every stage of engagement — from talent attraction to post-retirement transition.

"At the bank, the aim has always been to introduce and promote policies to ensure employee satisfaction and enhanced productivity," the bank added.

For SBI, having nearly 2.36 lakh employees and three lakh pensioners & family pensioners, ELCM is critically important to ensure smooth functioning of the bank's human resources across all stages from hiring to retirement. "It (HR Policy) is vital for the operational success and employee satisfaction and offers several key benefits that contribute to the overall success of the organization," the lender said.

The transformation plan also envisages revamp and digitisation of recruitment processes. The consultancy is expected to define digital and artificial intelligence (AI)-enabled talent acquisition models from screening to on-boarding by diagnosing the existing processes. It would also be benchmarking talent acquisition and AI practices across peers to identify gaps and leverage points, SBI said.

The management consultant would identify skill gaps and capabilities through skill diagnostics, a review of the existing talent management strategy, and an assessment of the processes and technology for adequacy and future readiness.

MANDATE FOR CONSULTANTS

* Prepare 5-year and 10-year HR strategies
* Identify skill gaps and capabilities through diagnostics
* Advise on digitisation of recruitment process
* Review talent management strategy
* Suggest AI-based talent acquisition models■

Source: Business Standard-dt.1st Aug-2025

RBI SAID TO HAVE SOLD AT LEAST $5 BILLION TO BOOST RUPEE

The rupee fell to 87.89 per dollar last week, just shy of its all-time low as US President Donald Trump doubled tariffs on Indian goods on Aug

RBI sold US dollars across both onshore and offshore currency markets this month to prop up the rupee as it weakened toward a record low, according to people familiar with the transactions.

The Reserve Bank of India sold at least $5 billion worth of the US currency, one of the people said, asking not to be identified as the information is private. The RBI didn't immediately respond to an email requesting comment on the matter. If the trend persists, it could become RBI's largest month of net dollar sales since January.

The rupee fell to 87.89 per dollar last week, just shy of its all-time low as US President Donald Trump doubled tariffs on Indian goods on Aug. 6 to 50% as a penalty for its purchases of Russian oil. A weaker rupee could fuel imported inflation and strain an already fragile economic recovery.

The intervention suggests a potential shift away from the RBI's previously restrained approach under Governor Sanjay Malhotra, who took office in December.

The rupee has depreciated more than 2% so far this year, making it among Asia's worst-performing currencies. Roughly half of that drop came in the past two weeks after it became evident Trump was planning to increase the tariffs.

On multiple occasions last week, the central bank was seen stepping into the offshore market just before domestic currency trading began at 9 a.m. Mumbai time, according to two of the people familiar with the matter, who declined to be identified as they aren't authorized to speak on it.

Relying on so-called non-deliverable forwards allows the central bank to guide the rupee's trajectory without having to sell large volumes of dollars outright. The central bank heavily relied on this strategy last year.

The RBI's latest foreign-exchange reserves data also point to increased intervention, with the stockpile falling by $9.3 billion, the steepest drop since November, to $689 billion in the week through Aug. 1. Part of the decline may reflect valuation changes in global currencies, not solely the central bank's dollar sales or purchases.—With assistance from Anup Roy.■

Source: Business Line-dt Aug-11-2025

[2025 (184) FLR 728]
(MADHYA PRADESH HIGH COURT-INDORE BENCH)
VIJAY KUMAR SHUKLA, J.
W.P.No. 935 OF 2025
January 17, 2025
Between
VIKRAM SINGH
And
UNION OF INDIA and others

Constitution of India, 1950-Article 226-Retirement at the age of 58 years-Order challenged-Objection regarding maintainability of writ petition-Petitioner, a workman claimed retirement at the age of 60 years against respondent No. 4, a private limited company-Held, not a case where question of breach of pubic duty by the respondent No.4 was involved Violation of service rules would not come within the purview of violation of discharge of public functions-No interreference under Article 226 of the Constitution of India-Petition dismissed as not maintainable. [Para 10 to 12]

Writ is maintainable even against a private person or authority if action of such an authority which is challenged is in domain of pubic law as distinguished from private law. The emphasis is on the nature of duty and if the private person or authority is discharging a public duty, the writ is maintainable.

The petitioner who was working as a Workman with the respondent No. 4 which is a private company and is seeking relief for continuation in service up to 60 years of age cannot be held to be an action relating to public duty of the respondent No. 4. The same cannot beheld to be a breach of public duty by the respondent No. 4.

The right to continue in service cannot be held to be a fundamental right. The service condition o an employee is governed by the Service Rules and violation of service rules would not come within the purview of violation of discharge of public functions and, therefore, any action taken by a private institution against his employee would not come within the judicial scrutiny of this Court under Article 226 of the Constitution of India.

Counsel for the Petitioner: Jagdish Bheti.

Counsel for the Respondents: Ms. Pranjali Yajurvedi.

JUDGMENT

VIJAY KUMAR SHUKLA,J._ The petitioner has challenged the order dated 1.11.2024 issued by respondent No.4 whereby the petitioner has been directed to be superannuated at the age of 58 years with effect from 31.1.2025.

2. Counsel for State raises preliminary objection that the petition is not maintainable under Article 226 of the Constitution of India against the respondent No.4 which is a private company. The petitioner was a Workman and is challenging his superannuation.

3. Counsel for petitioner submits that the respondent No.4 is controlled by the respondent No.1 and since the fundamental right of the petitioner regarding 'livelihood' is violated, therefore, writ petition is maintainable under; Article 226 of the Constitution of India. In support of his submission he has placed reliance on a judgment passed by the Apex Court in the case of Kaushal Kishore Vs. State of UP and the judgment passed in the case of Zee Telefilms Ltd. Vs. Union of India (2005) 4 SCC 649.

4. The grievance of the petitioner is regarding the retirement before the age of superannuation as against the Rule 14-A of M.P. Industrial Employment Standing Orders. Counsel for petitioner submits that as per the Rule 14-A of the M.P. Standing Order Rules 1963, the petitioner is entitled to continue upto the age of superannuation of 60 years. Counsel for the petitioner argued that writ petition is maintainable as respondent No.4 though it is a private company, because it is controlled by the respondent No.1 and the respondent No.4 is discharging public duty and, therefore, it is amenable to issuance of writ jurisdiction under Article 226 of the Constitution of India. It is further argued that the order of the respondent No.4 retiring the petitioner on completion of age of 58 years instead of 60 years is in contravention to his right to livelihood which is an integral part of 'right to life' under Article 21 of the Constitution of India. He referred para 88 of the judgment of Kaushal Kishore (supra) in respect of 'right to life' He also referred para 172 of the judgment passed in the case of Zee Telefilms Ltd. (supra). In para 172 it has been held that a writ can be issued against a private body if it acts as a public authority and has a public duty to perform.

5. To appreciate the objection raised by counsel

for the State regarding maintainability of the petition against a private company, it is apposite to survey the judgments in this regard on the said point.

6. The Hon'ble Supreme Court in the case of Unni Krishnan reported in AIR 1993 SC 2178 held that private educational institutions discharge public duties irrespective of the fact they receive aid or not. The absence of aid does not detract from the public nature of the duty. These institutions supplement the effort of the State in educating the people which is the principal duty cast upon the State under the constitutional scheme. Relevant excerpt is quoted below:

> "83. The emphasis in this case is as to the nature of duty imposed on the body. It requires to be observed that the meaning of authority under Article 226 came to be laid down distinguishing the same term from 11 ---Article 12. In spite of it, if the emphasis is on the nature of duty on the same principle it has to be held that these educational institutions discharge public duties. Irrespective of the educational institutions receiving aid it should be held that it is a public duty. The absence of aid does not detract from the nature of duty."

7. The case of Unni Krishnan came to be partly overruled by the subsequent eleven Judge Bench in T.M.A. Pai Foundation and others Vs. State of Karnataka and others reported in AIR 2003 SC 355 , however, the ratio decidendi, in so far educational institution discharging public function and it is the duty of the State to provide education to children from the age of six to fourteen years held to be fundamental right was affirmed.

8. The Hon'ble Supreme Court again got an opportunity to examine the issue as to whether private institution imparting education in higher studies to students is discharging 'public function' and whether, Deemed University notified by the Central Government under Section 3 of the University Grants Commission Act, 1956 which, inter alia, provides for effective discharge of public function, namely, education for the benefit of public is an authority within the meaning of Article 12 of the Constitution then as a necessary consequence, it becomes amenable to writ jurisdiction of High Court under Article 226 of the Constitution. The Court in the case of Janet Jayapaul Vs. SRM University & Others reported in (2015) 16 SCC 530 held that the institution engaged in/and imparting higher studies to students is discharging 'public function' by imparting education. Relevant excerpt is quoted below:

> "This we say for the reasons that firstly, respondent No. 1 is engaged in imparting education in higher studies to students at large. Secondly, it is discharging "public function" by way of imparting education. Thirdly, it is notified as a "Deemed University" by the Central Government under Section 3 of the UGC Act. Fourthly, being a "Deemed University", all the provisions of the UGC Act are made applicable to respondent No. 1, which inter alia provides for effective discharge of the public function - namely education for the benefit of public. Fifthly, once respondent No. 1 is declared as "Deemed University" whose all functions and activities are governed by the UGC Act, alike other universities then it is an "authority" within the meaning of Article 12 of the Constitution. Lastly, once it is held to be an "authority" as provided in Article 12 then as a necessary consequence, it becomes amenable to writ jurisdiction of High Court under Article 226 of the Constitution."

9. Further, the eleven Judge Bench in T.M.A. Pai (supra) while considering the relationship between the management and the employees/ teachers of private technical and higher education though being contractual in nature but, in the case of educational institutions, the Court was of the

opinion that requiring a teacher or a staff to go to civil court for the purposes of seeking redress is not in the interest of education. The Court held that: (Extract of Para 50):-

> "In the case of educational institutions, however, we are of the opinion that requiring a teacher or a member of the staff to go to a civil court for the purpose of seeking redress is not in the interest of general education. Disputes between the management and the staff of educational institutions must be decided speedily, and without the excessive incurring of costs."

10. Thus, from the aforesaid judgments it is clear that writ is maintainable even against a private person or authority if action of such an authority which is challenged is in domain of public law as distinguished from private law. The emphasis is on the nature of duty and if the private person or authority is discharging a public duty, the writ is maintainable. In the case of Janet Jayapaul (supra) it is held that the institution engaged in/and imparting higher studies to students is discharging 'public function' by imparting education, and, therefore, the same is an authority within the meaning of Article 12. In the case of T.M.A. Pai (supra), the court while considering the relationship between the management and the employees/teachers of private technical and higher education held that though the relationship is contractual in nature but, in the case of educational institutions, the Court was of the opinion that requiring a teacher or a staff to go to civil court for the purposes of seeking redress is not in the interest of education, and, therefore, the writ petition was held to be maintainable. Relying on the aforesaid judgments, the division bench in WA No.1619/2022 in the case of Laurels School International Vs. Union of India and others held that in a case of termination of a teacher of a private institution, the writ is maintainable because it affects The Right of Children to Free and Compulsory Education Act, 2009 and the Rules framed therein. For denial of any such rights in connection with public duty imposed on such body, public law remedy can be enforced and as the service conditions of the respondents have direct nexus of the discharge of a public duty, their case would be covered under the exception clause, therefore, amenable under Article 226 of the Constitution of India. Against the said order, the review was filed by the school in RP No.602/2023 which has also been dismissed affirming the said view by order dated 1.12.2023. The Apex Court in the recent judgment in the case of St.Mary's Education Society and Ors. Vs. Rajendra Prasad Bhargava and Ors. (2023) 4 SCC 498 in which it is held that the action impugned before the writ court has no nexus with public element, even though the private body in question may be discharging public functions, the writ jurisdiction cannot be invoked in such a case.

11. In the present petition, the petitioner who was working as a Workman with the respondent No.4 which is a private company and is seeking relief for continuation in service upto 60 years of age cannot be held to be an action relating to public duty of the respondent No.4. The same cannot be held to be a breach of public duty by the respondent No.4. The right to continue in service cannot be held to be a fundamental right. The service conditions of an employee is governed by the Service rules and violation of service rules would not come within the purview of violation of discharge of public functions and, therefore, any action taken by a private institution against his employee would not come within the judicial scrutiny of this Court under Article 226 of the Constitution of India. Thus, it is held that writ petition against a private company challenging the order of premature retirement and claiming to be continued in service is not maintainable.■

12. The ***petition is dismissed*** as not maintainable.

(VIJAY KUMAR SHUKLA) JUDGE VM

DEARNESS ALLOWANCE – AUGUST 2025 TO OCTOBER 2025

The Index Numbers for the quarter ended upto June 2025 are as under:

DA Payable for the months - Aug 25 to Oct 25	
Index for Months:	Index as per 2016 series
Apr 25	143.50
May 25	144.00
June 25	145.00
Average	144.16
New DA Rate (over 123.03)	21.13%
DA Rate for Previous Quarter	19.97%
Increase	1.16%

Accordingly, Dearness Allowance is payable to Officers is 21.13% slabs with effect from 01.08.2025. The rates worked out are as per the industry level scales up to Scale VII including SBI. ■

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