

A vibrant, lush green forest scene featuring a waterfall cascading into a stream. The water is clear and green, reflecting the surrounding foliage. The forest is dense with various shades of green, and the overall atmosphere is serene and natural.

**COMMON BOND**  
**July - 2012**

*Editorial***WHETHER THE ECONOMIC REFORMS ARE AT THE BEHEST OF US**

**T**he recent statement of Mr. Kaushik Basu, the Chief Economic Advisor, Government of India, at the Karnege Endowment for International peace, Washington DC, that, there will not be any major reforms in India, till the elections of 2014, had evoked criticism from various corners. According to him the coalition politics was the chief culprit behind the reforms slowdown and that a single party rule post 2014 election would be the catalyst for future progress on this issue. Honesty, trustworthiness and personal integrity when adopted as important markers by society go a long way in promoting economic development he said.

Every regional political parties have their own ideologies based on local necessities and commitment. Unless a single party rule system prevail in the country, corruption can not be eradicated and political morale enforced. Now all regional parities are centered an a local leader who is dictating terms in a coalition politics. There need a conviction that good personal qualities and discipline are essential for economic growth.

Finance Minister Shri. Pranab Mukherjee, touted some move in recent months and had been in US to encourage foreign investment, including infrastructure, steps to ease credit plan for priority area etc. However the American investors were sceptical about the fluid political and economic situation in India, especially on the lack of Co-ordination among various ministries and corruption in public life.

However towing the line of US and World Bank, the Finance Minister had declared in US that except to the food products, government had taken necessary steps to remove the subsidies, as already indicated in his

budget speech, that when the subsidy pinch the government heavily they proposed to bring it down to 1.7 percent of GDP with in next three years.

According to the Finance Minister UPA Government is committed to various financial reforms but admitted that the coalition government had hampered the reform efforts of the government. He said that the time has come to take various tough decisions for the reforms on Pension, Banking and Insurance areas and the amendments in the respective Acts will be taken up during the year.

Regarding the grievances expressed by the American Industrialists he said, the government is agreeable to take certain adjustment in the system and that certain corrective steps are being taken to check misuse of subsidies especially in the area of LPG, Fertilizer, Kerosene and reduce the existing subsidies. He had also asserted that the government has already taken affective steps to strengthen the economy.

Added insult to injury, the Standard and Poor's, the rating agency recently, that cut India's long term credit rating from stable to negative, though in the past assessment of risk by these agencies failed to predict on impending crisis. Moreover a sovereign nation with a democratically elected Parliamentary system cannot afford to follow policies dictated by financial agencies like Standard and Poor's, through their remote control apparatus at the behest of western countries.

Even more than two decades of unleashing of market economy, with much projected reform story, common man in India is still struggling due to inflation, price rise,

social and economic irregularity, unemployment etc. The rift between the rich and poor is increasing, as admitted by Shri. Motek Sing Ahluwalia the Dy. Chairman, Planning Commission. Wealth is now concentrated in the hands of a few. Most surprisingly the rate of decline of poverty in India was fast between the year 1981 and 1990, than it has been between 1990 and 2005. It only shows that the economic reforms started in the year 1991 have only aggravated poverty in India. The fact remains that all government at the centre perused reforms since the year 1991 in one from or an other in

different pace and style.

When the government is lamenting about inflation and price rise affecting the common man, they should make sincere efforts to recover the direct and corporate tax from the defaulters affectively and remove the subsidies being provided to Corporates and higher income groups instead of hitting the common man by withdrawing the legitimate subsidies being provided to them, instead of acting at the behest of the western countries. ❀

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### **COM. D.S. RISHABADAS CO-OPTED AS GENERAL SECRETARY OF AIBOC**

**W**e are happy to inform all our affiliates and members that at the 68th meeting of the Executive Committee of the All India Bank Officers' Confederation held on 30th and 31st May, 2012 at Bangalore, Com. D.S. Rishabadas, newly elected General Secretary of the All India State Bank Officers' Federation is unanimously Co- opted as General Secretary of the All India Bank Officers' Confederation, for the remaining



term of the triennial 2011-2014. **Common Bond** congratulates and wish him all the best in his new assignment.

Com. P.K. Sarkar, President of the Confederation will be the Chief Spokesman for negotiations with IBA/Government and also the nominee of the confederation to the Convenorship of the UFBU. ❀

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### *Promotions*

### **SEVEN BANK GMs ELEVATED as EXECUTIVE DIRECTORS**

**T**he Centre has elevated the following General Managers of the Pubic Sector Banks to the posts of Executive Directors.

Mr.P. Srinivas, General Manager of Andhra Bank, has been elevated to the post of Executive Director of Bank of Baroda.

Mr. S.K. Jain, General Manager of Dena Bank, elevated as Executive Director of Bank of Baroda.

Mr. Arun Tiwari, General Manager of Bank of Baroda, elevated as Executive Director of Allahabad Bank.

Mr. B.P. Sharma, General Manager of Punjab

National Bank , elevated as Executive Director of Bank of India. Mr. S.R. Bansal, General Manager of Dena Bank, elevated of Executive Director of Punjab National Bank.

Mr. S.D. Arya, General Manager of Bank of Maharashtra, elevated as Executive Director of United Bank of India.

Mr. K.R. Shenoy, General Manager, Corporation Bank, elevated as Executive Director of Vijaya Bank.

'Common Bond' congratulates all the newly elevated Executive Directors and wish them all success in their future endeavours. ❀

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### *Organisational Issues*

### **CHARTER OF DEMANDS SUB-COMMITTEE MEETING**

**T**he Charter of Demands Sub-Committee, constituted by the AIBOC Executive Committee had its second meeting on 13/06/2012 at Bangalore.

Com. D.S. Rishabadas, General Secretary, briefed the members about the meeting of UFBU held at Kolkata on 6/6/2012. Com.PK.Sarkar, President, AIBOC and

**WORK IS WORSHIP, DO YOUR DUTY**

Convenor, Charter of Demands Sub-Committee, presented a draft for discussion on the Charter of Demands. Detailed deliberations took place on the 10th Bipartite Charter of Demands.

2. It was decided to meet again on 7th July, 2012 at Chennai with additional inputs and finalise the charter of demands. As already advised the UFBU is meeting on 6th July 2012 at Chennai. ❁

## **AGITATIONAL PROGRAMMES AND ALL INDIA STRIKE ON 25TH AND 26TH JULY, 2012**

### **Text of UFBU Circular No. 12 Dated 13/6/2012**

Vide our Circular No.11 dt. 07-06-2012, we have informed all our units and members about the decisions of our meeting held at Kolkata on 6-6-2012 to go on two days strike on 25th and 26th July, 2012.

2. After our meeting dated 10th May, 2012, we wrote to the IBA as well as the Government drawing their attention to the growing resentment and discontentment amongst the bank employees and officers over the delay in redressing the issues, demands and concerns raised by UFBU. Unfortunately, there is no response from them and hence we have no other alternative than to again focus all these issues and demands through agitational programmes and strike action. Accordingly, the meeting decided to launch agitational programmes as under:

### **ISSUES:**

\* **BANKING REFORMS:** Proposed Banking Law amendments – aimed to grant license to corporates and private business houses to start their own banks. There is an attempt to close down rural branches and opening of large number of Ultra Small Branches thereby privatizing bank operations through Business Correspondents, etc.

\* **OUTSOURCING:** Outsourcing of regular banking jobs of employees and officers jeopardizing our jobs and job security. There is a need for adequate recruitments and revival of BSRBs.

\* **RETROGRADE RECOMMENDATIONS OF KHANDELWAL COMMITTEE:** Attempts to unilaterally implement recommendations on HR matters through arbitrary guidelines.

\* **NON-RESOLUTIONS OF ISSUES:** Various

important issues raised by UFBU still remain unresolved such as revised compassionate appointment scheme, regulated and defined working hours, revised guidelines on staff housing loan, 5 Day banking, non- extension of pension option facility to voluntarily retired and resigned persons, improvements in pension scheme like upation, uniform DA, etc.

<b>PROGRAMMES</b>	
<b>25-6-2012 to 24-7-2012</b>	Explanatory meetings by all Constituents and State-level UFBU's
<b>18-6-2012</b>	UFBU to write to IBA/Govt. conveying the agitational programme
<b>20-6-2012</b>	Submission of memorandum by all Constituent Unions/State units to IBA Chairman
<b>21-6-2012</b>	UFBU to write to all Central Trade unions and leaders of political parties seeking their support
<b>27-6-2012</b>	Mass Demonstrations in all bigger Centres
<b>6-7-2012</b>	UFBU to serve formal Strike Notice
<b>10-7-2012</b>	Badge wearing
<b>17-7-2012</b>	Dharna in all State Capitals and other important centres
<b>17-7-2012</b>	Mass Demonstrations at all centres
<b>24-7-2012</b>	Mass Demonstrations, rallies, processions at all centres
<b>25<sup>th</sup> &amp; 26<sup>th</sup> July, 2012</b>	2 Days ALL INDIA STRIKE

**SELF HELP IS BEST HELP**

Comrades, we call upon all our Constituents and State units to take up these programmes earnestly and implement the same. State-level UFBUs should

take all steps to ensure that the programmes are held jointly. The UFBU will meet on 06.07.2012 at Chennai and advise further developments. ❁

## **UFBU'S AGITATIONAL PROGRAMME**

***Text of Circular no. 13 dated 19th June, 2012 of UFBU.***

Further to our circular No. 12 dated 13.6.2012, we have since addressed communications to IBA and Government informing them of our agitational programmes. The copies of these letters are enclosed herein.

2. All our constituent unions and their affiliated unions are to address a letter to the Chairman, IBA as per specimen given herein, under advise to us.

3. Meetings of State-level UFBU should be held and all our agitational programmes are to be carried out

unitedly by mobilizing all our unions and members.

4. Specimen of Poster is furnished herein and all our state units should get the posters printed in English and local language in large numbers and display the same before all Branches and in public places.

5. As per agitational programme, please ensure wearing of badges by all members on 10.07.2012.

With greetings,

**Yours Comradely,  
Sd/-  
(G.D.NADAF)  
CONVENOR**

## **DRAFT MEMORANDUM**

*Text of letter, dated 20/6/2012 and Addressed to The Chairman, Indian Banks Association, World Trade Centre Complex, Centre 1, Cuffe Parade, MUMBAI – 400 005.*

### **RESOLUTION OF PENDING ISSUES**

Dear Sir,

We draw your attention to the letter addressed to you by UFBU on 26-3-2012 and 18-6-2012 on the various important pending issues and demands.

2. It is a matter of concern that the pending issues like revised compassionate ground appointment scheme, pension option to voluntarily retired/resigned persons, improvements in pension scheme on lines of the Government scheme, regulated and defined working hours, 5 day banking, revised guidelines on staff housing loan, etc. remain pending for a long time. We also observe that unilateral guidelines are being issued by Govt. of India on service conditions and HR issues based on the recommendations of Khandelwal Committee recommendations without any reference or discussions with the trade unions..

3. On the other hand the Government is also attempting

to go ahead with the banking reforms, which we feel would adversely affect the interests of public sector banks.

4. Further the permanent jobs in the banks are sought to be outsourced instead of ensuing adequate recruitments in the Banks.

5. In view of the apathy of the IBA and the Government to the issues and demands of the bank employees and officers, UFBU has given the call for agitational programmes including 2 days All India Strike on 25th and 26th July, 2012.

6. While endorsing the decision of the UFBU, we urge upon the IBA to take urgent steps to find early and amicable solutions on these issues in the larger interest of industrial peace in the banking sector.

7. Expecting a positive response at the earliest.

Thanking you,

**Yours faithfully,  
(CONVENOR)**

**BE TRUTHFUL, BE FEARLESS**

## **ALL INDIA BANK STRIKE 25TH AND 26TH JULY, 2012**

**BY 10 LACS EMPLOYEES AND OFFICERS OF PUBLIC SECTOR BANKS, PRIVATE SECTOR BANKS AND FOREIGN BANKS**

### **ISSUES AND DEMANDS**

- \* SETTLE PENDING DEMANDS**
- \* STOP ARBITRARY GUIDELINES ON HR ISSUES**
- \* STOP UNILATERAL IMPLEMENTATION OF KHANDALWAL COMMITTEE RECOMMENDATIONS**
- \* STOP OUTSOURCING OF BANK JOBS**
- \* STOP BANKING SECTOR REFORMS**
- \* STOP CLOSURE OF RURAL BRANCHES**

*Text of our letter No. 1367/18/12, Dated 18-06-2012, Addressed to  
The Chairman, Indian Banks' Association, World Trade Centre Complex, Centre 1,  
6th Floor, Cuffe Parade, Mumbai - 400 005.*

Dear Sir,

**Reg: NON-REDRESSAL OF OUR CONCERNS  
AND DEMANDS**

**Ref: OUR LETTER NO. 1367/3/12 DT. 26-3-2012**

This has reference to our above letter wherein we had drawn the attention of the Indian Banks Association to the growing displeasure of the bank employees and officers over the non-resolution of our various important pending issues and demands and the casual manner in which the IBA is dealing with the same. We had also pointed out to the increasing instances of unilateral guidelines from the Government on issues relating to HR and IR and the arbitrary way in which bilateral service conditions are being changed in the name of implementing Khandalwal Committee recommendations. Similarly, unmindful of our protests, the Government is also contemplating to implement their banking reforms agenda like attempts to pass the Banking Laws (Amendment) Bill, closure of rural bank branches, handing over these banking operations in the rural areas to private agencies, Business Correspondents and Ultra Small Branches, etc. Normal banking jobs are sought to be outsourced on contractual basis, which would jeopardise the permanent jobs in this vital banking sector.

2. Our long pending issue like, revised

compassionate ground appointment scheme is still pending. There are other important issues like improvements in pension scheme on the lines of Government scheme, non-extension of pension option facility to voluntarily resigned and retired staff, regulated and defined working hours, 5 day banking, revised uniform guidelines of staff housing loan scheme, etc. which are also being glossed over by the IBA without being amicably resolved.

3. We regret that even after UFBU pointing out the growing resentment of the bank employees and officers over these issues and demands that UFBU would be constrained to resort to agitational path, if the IBA does come forward to resolve these issues. In view of the continued non-responsive attitude of the IBA, at the meeting of the UFBU held at Kolkata on 06-06-2012, it has been decided to launch All India agitational programmes culminating in 2 days All India Strike on 25th and 26th July, 2012. A copy of agitational programmes is enclosed.

4. The formal notice for the strike action will be sent to the IBA in due course.

5. Please acknowledge receipt.

Thanking you,

**Yours faithfully,  
Sd/-  
(G.D.NADAF)  
CONVENOR**

**SUCCESS COMES ONLY TO THOSE, WHO DARE AND ACT**

**Common Bond, July - 2012**

*Banking*

**CHEQUES VALID FOR 3 MONTHS FROM APRIL 1**

**B**ankers' cheques and other monetary instruments will have only a three-month validity beginning April 1, 2012, instead of the existing six months, a Reserve Bank of India (RBI) communiqué has said.

The change is a consequence of an RBI notification on November 4, 2011.

Cheques, drafts and pay orders will have a validity for three months from the date

they've been drawn. Those having cheques and other monetary instruments with six-month validity before April 1, will have to remit them before this date, when the expiry of the validity will be reduced to three months.

After April, 1 these instruments will be valid subject to their adherence to the new 3-month rule.✽

*Source: Times of India, Dated; 21/3/2012*

*Legal*

**NO DOUBLE JEOPARDY IF CHEATING CASE ALSO FILED ON DISHONOUR OF CHEQUE :APEX COURT**

The Article 20(2) of the Constitution does grant immunity against award of more than one punishment for the same crime but if the ingredients of the two cases are different, there is no bar on launching two different proceedings that could culminate in separate punishments for the two crimes. So, held the Supreme Court in **Geetha Mendiratta vs State of Gujarat & others**.

**BREACH OF TRUST AND CHEATING**

On dishonour of cheque for Rs.20 lakh, the Respondent No.2 had launched proceedings under Section 138 of the Negotiable Instruments Act and soon, thereafter, also under Sections 406 and 420 of the Indian Penal Code as well for breach of trust and cheating.

The Supreme Court while upholding the Gujarat High Court stand that the two simultaneous proceedings were maintainable pointed out that while the proceedings under the Negotiable Instruments Act are for the crime of issuing the cheque without funds in the bank account, the proceedings under the IPC are against criminal intent.

In the prosecution under Section 138 of the Negotiable Instruments Act, **mens rea**. fraudulent or dishonest intention at the time of issuance of cheque is not required to be proved.

Besides, the offence punishable under Section 420 of the Indian Penal Code is a more serious one as a longer sentence of seven years can be imposed.✽

**SureBusinessline**

*Article*

**NEW BANKING LICENSE**

**B**anking has been part of human life since time immemorial. In earlier days, financial transactions were carried out through barter system, like exchange of material for materials, grains or other farm products in lieu of wages etc., With the various transformations in financial sector, barter system was replaced with the introduction of coins or paper currencies as legal tender.

While smaller banks came into existence at different

places based on the local culture and needs, nineteenth century saw the birth of three presidency banks viz. Bank of Kolkata in the year 1808 which later become presidency Bank of Bengal, Presidency Bank of Bombay in the year 1840 and Presidency Bank of Madras in the year 1843. These banks later amalgamated into Imperial Bank of India in the year 1921. Imperial Bank was nationalised in the year

**NEVER BEND BEFORE THE INSOLENT MIGHT**

1955, rechristened as State Bank of India. Later State Bank also took over 8 princely banks with the compulsory merger of weak banks with strong banks by RBI in the year 1960 the total number of banks in India were reduced from 566 in the year 1951 to 85 in the year 1969. Government of India Nationalised 14 major banks in the year 1969 and an other 6 banks in the year 1980 with a view to give an impetus to Govt's programmes for development of Agriculture, the village crafts, small scale industries, small business enterprises etc.

Post nationalization period saw India surging ahead with economic growth. Industry was structured well. There was self sufficiency in food production. Massive industrialization created job opportunities. This also resulted in unprecedented expansion of banking facilities to the people in every nook and corner of the country.

However, statistics show that out of six lac villages in India only 50000 villages are having access to bank branches and an estimated 50 percent of the population still do not have a bank account. This has prompted the Finance Ministry to promote banking into remote areas as part of inclusive banking programme. The government has already stipulated that habitats with population in excess of 2000 should have banking facilities by March 2012. Currently there are 85300 bank branches in the country. This is much higher than the 8700 branches at the time of bank nationalization in the year 1969. Of these 85300 branches, about 32000 branches are in rural areas and according to Finance Ministry still there is room for branch expansion in order to extend banking facilities to rural areas as a part of promoting priority sector lending and economic growth. Indian financial system has already made impressive stride in resources mobilization, geographical and functional reach, financial viability and competitiveness.

This has also prompted the government to grant license to private players such as corporates and industrial houses with the intention of promoting inclusive banking with the condition that 25% such

branches shall be opened in rural and semi urban areas. However according to indications the Central Bank is skeptical about granting license to the industrial houses in view of the complex web of relationship of commercial firms with their customers or suppliers and also with their political clout. There is also a great risk of diverting funds to liquidity constrained operations of the groups. They may be able to rotate funds from one entity to another which makes the regulators difficult to trace the same, especially when all the entities are not regulated by one regulator. The down fall of various banks in the private sector in the past had made the RBI to be more cautious in granting the license. Government had in the past granted license for opening banks in the private sector which was a "U" turn on the original policy formulated by the former PM ( Smt.) Indira Gandhi. But the survival statistics show that out of 12 new banks in the private sector only 7 banks survived as 5 banks were either closed or acquired by other banks. Country also saw forced merger of Global Trust Bank with Oriental Bank of Commerce during the year 2004 due to wiping out its network for alleged involvement in stock market scandal.

Banking industry in general has already opposed the idea of allowing industrial and business houses to promote new banks as the large capital buffer that would be available to the bank by industrial /business houses would create an uneven playing field. The Indian Banking Sector is dominated by State Bank of India and 5 Associate Banks, 19 Nationalised Banks, 13 old Private Sector Banks, 7 new generation private banks and 31 foreign banks. Beside there are 2000 Co-operative and 86 regional rural banks. When the existing PSBs are capable of meeting the financial inclusion programmes of Government of India with availability of more net work of rural branches, know how and infrastructure, they should be asked to meet the requirement of financial inclusion instead of bringing corporate or industrial houses into the field so that the object of bank nationalization can be met. More over the recent financial meltdown in US and other western countries where many banks in the

**SAVE PUBLIC SECTOR, SAVE INDIA**

private sector have been closed due to sub-prime crisis, with their greed to earn more profit and lack of regulatory control are still vivid in our memory. Sri Raguram G Rajan a noted economist and adviser to Prime Minister has already warned RBI about the potential disaster of allowing diversified corporate houses to run banks in view of diversified interest. Banks promoted under private sector may not have the financial discipline that protected the Indian Banking Sector during the crisis. It has to be remembered that banks promoted under private sector in the past had either failed or merged with other banks or had mutated growth.

Any proposal to grant banking license goes against the basic principles of nationalisation of private sector banks in India carried out through the vision of our former Prime Minister late. (Smt.) Indira Gandhi, that has seen an unprecedented expansion of banking facility throughout the country and the resultant economic growth and progress including self sufficiency in food and milk. The contribution of Public Sector Banks in the Economic Development of the country cannot be overlooked. ❁

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## **AGRICULTURE GROWTH A PRE-REQUISITE FOR INCLUSIVE GROWTH**

**A**s the freedom of our country was born with hunger, Pt. Jawaharlal Nehru the first Prime Minister of the country stressed the need of improving agriculture and said "India can wait for every thing but not on agriculture". India is basically an agricultural country, as around 70 percent of the population lives in villages depends up on agriculture for their lively hood. The economic survey has warned that when the majority of the population is dependent on agriculture, their share in the economy is shrinking, leading to bigger urban rural divide threatening national food security. When the growth of agriculture has started declining, people from rural area are migrating to cities in search of better avenues.

The green revolution achieved during year 1960 has lost its steam since the farmers have now become a deprived lot, as they are not getting enough support from the government, resulting in 40 percent of the farmers want to quit farming according to national sample survey. There is also no technological break through in agricultural sector as per the required level. As per report Agricultural share in the economy's overall gross capital formation also

declined from 8.3 percent in 2008-09 to 7.2 percent in 2010-11.

When the rising population is fuelling the demand for food grains, farmers are unable to meet the situation because they are hampered by low capital investment, obsolete technology, and shortage of basic inputs such as water, fertilizer, seed and power. This is besides decline in the area of cultivation during the last 30 years. Though in many states there are restrictions on conversion of agricultural land for non agricultural purpose, no state is serious in implementing this rule. The county has seen many land grabbers in the form of politicians, ministers and other local leaders, who are among the list of people identified, grabbing forest land, land belongs to wakfboard, public property including agricultural land thereby reducing the area of cultivation.

Despite these draw backs the country has seen record production of food grains in view of good monsoons and certain government policies. But the irony is that several farmers who have produced bumper harvest are forced to sell paddy at 20-30% below minimum support price due to

**NATION FIRST, ORGANISATION NEXT, INDIVIDUAL LAST**

poor procurement policy of the government. Consequently farmers were in a hurry to dispose of their yield to clear the debt and get ready for the next cultivation. Failure to recover the cost had made them to default the finance borrowed on a high rate of interest leading to suicide in many parts of the country. Government could do a little to prevent such unfortunate situation. In case of vegetable cultivation also the situation is not encouraging. In view of food inflation the farmers are forced to sell the products below their cost of production. If they produce more it may lead to glut in the market and prices tumble hitting back at the farmers.

What is required now is a second green revolution to take care of the explosive growth of the population and the economy with more agricultural products and productivity. The

economic survey also stipulated the need to have increased production of nutrition rich crops like pulses, fruits and vegetables which were not taken care of. Since the rice is the staple food in India, agriculture can not be taken back seat, where there is a need to adopt improved technology. When the literacy level in India is growing it is required that a large number of educated young people should be encouraged to enter in to farming using science and technology, while bringing back the lost enthusiasm among the farmers. Welfare of the agricultural producers have to be addressed simultaneously.

Government should also ensure that the farmers are adequately compensated for the risk they are facing due to rain or draught. They should also be provided with adequate credit facilities, insurance coverage with subsidised seed and fertilizer.\*

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## **RESPONSIBILITY VS. POWER UNDER INDIAN DEMOCRACY**

**W**e acclaim ourselves as the largest democracy in the World, as also a growing economy. When the recession started affecting the economy in US and other European Countries, we boasted ourselves as a stable economy with our strong fundamentals.

Most surprisingly, political and economic instability had started shaking the country, in view of various scams that have erupted in recent times, as also the recalcitrant attitude of the coalition partners, that has affected the performance of the UPA Govt., as well as the economic growth of the country. According to Standard and Poors' the credit rating agency, the country's long-term credit rating is going down from stable to negative. Inflation is going northward with increase in the cost of essential commodities affecting the common man. The rupee rates against US \$ are going down and has touched an all time low, much to the embarrassment of the Finance Ministry and the Regulators.

In spite of high budgetary deficit, authorities could not take effective steps in bringing the black money

stashed abroad; instead, they presented a white paper, which does not specify the quantum of black money involved nor has been able to identify the offenders, in spite of strictures passed by the Apex Court. The Govt. is still working on the quantum of the amount involved and mooted immunity as one time option to encourage people involved to bring back money stashed abroad subject to re-examining the issue, in view of the affidavit filed in the Supreme Court earlier against such immunity; and public mood against such move. Instead of bringing the black money into the country, the Govt., had made few suggestions in the white paper to curb the menace in future.

The current situation prevailing in the country looks like; we are slipping back to our pre-independence era. It looked like, world's largest democratic country like India is being ruled by a group of people under the illusion of Divine Right Theory, forgetting the fact that the nation belongs to its more than 1210 million citizens.

The UPA Govt., has completed 3rd year of their coming in to power for the second time. Despite occasional

### **DUTY FIRST, RIGHT NEXT**

promises made out towards implementing various social welfare schemes and improving the economic growth, what is now seen is nothing but a drift from their policies and eruption of corruption at various levels. Economy is slipping from distress to crisis. With rupee value going down every day against US \$ and that the ministry is still trying to cover up the situation with the statement that it is only an International and temporary Phenomenon. Going by the progress card of the UPA Ministry, besides poor economic growth it is also the dismal performance of various ministries including the defence ministry and the preparedness of our defence forces, as revealed by the Chief of Armed Forces in his letter to the PM, had affected the Govt. This is besides various issues of corruption that were revealed in the defence deal.

The Govt., is riddled with various scams that are exposed on day to day basis, besides price rise, poor service delivery, drifting away from the problems concerning the common man, lack of accountability, transparency between the state and the Central Govt., etc. Lack of cohesion in the Ministry is seen from the statements being issued by various ministers on issues not relevant to their portfolios, much to the embarrassment of the Prime Minister. CAG in his report had brought out many irregularities in functioning of various Govt., departments resulting in loss of crores of rupees to the exchequer. Instead of taking action against the culprits. Govt., is only trying to cover up the issues to save their face. They are also trying to put up a brave face and gear up their performance for their remaining term, with a focus on the next general election. There is a need for performance audit of each ministry and review of the performance of UPA with that of their election manifesto.

The comedy of error is that a Constitutional authority, like PM with heavy responsibilities does not enjoy much power. This situation has created a sort of anarchy in the country leading to corruption and nepotism, when PM is unable to act and take the country in the right direction.

Many ministers who were the heroes of the past have crossed the age of 70 and do not hold much grass root level support. They do not want the younger generation to grow for obvious reasons. Though India is the second largest populated country in the world it has got a unique position that half of its population is under 30 years, which only shows that India is vibrant. Hence, it is high time that, the younger generation takes over the rein of the country.

Inspite of tall talks, Govt., has not shown any inclination to bring an effective Lokpal Bill to root out corruption from the Society. The recent developments in both houses of Parliament show that the Lokpal Bill will meet the same fate as that of Women's Reservation Bill. Inspite of all promises, they failed to mobilize support for the bill, instead referred it to a select committee.

The Parliamentary Affairs Minister instead of trying to mobilize support for the bill is now making an attempt to differentiate between Democracy and Mobocracy, forgetting the fact that without mass participation Democracy does not survive. It is a paradox that all the political parties who have vociferously argued to bring an effective Lokpal bill, their inner conscious did not support such a bill as many knew that the bill will be a death warrant against many of them. As such, it looks like that they want to kill it at the hatching stage itself. One of the contentious issues of the bill was that the Govt., wanted the CBI under their control to take care of their opponents. But unless the CBI is given full operational independence under supervision of Lokpal bench, the Lokpal itself will be rendered toothless. It looks like that many political leaders are short of their vision, long on their rhetoric as they survive on sycophancy. India needs a set of dedicated statesmen who will be able to take decisions within the frame work of the common minimum programme and implement it in the interest of the country in right earnestness✽

**LET NOBLE THOUGHTS COME TO US FROM EVERYWHERE**

**[2010 (126) FLR 597]**  
**(BOMBAY HIGH COURT -NAGPUR BENCH)**  
**S.A.BOBDE and Smt. VASANTI A. NAIK, JJ**  
**W.P.No.1261 of 2001**  
**February 15, 2010**  
**Between**  
**MADHUSUDAN GOVINDRAO TRIVEDI**  
**and**  
**UCO BANK, CALCUTTA and others**

***Voluntary Retirement-An option for voluntary retirement-Can be withdrawn before it is accepted-voluntary retirement takes effect upon its acceptance by competent authority-Not on mere exercise of such option-A substantive right of a person can not be denied except on basis of a statutory provision or rule or regulation.***  
**[paras 4 and 5]**

**JUDGMENT**

S.A.BOBDE, J.- The petitioner who is serving in the respondent-Bank as an Assistant Cashier applied under the Voluntary Retirement Scheme dated 16.11.2000 for voluntary retirement. The petitioner made this application on 1.1.2001 apparently without knowing the full implications of the Scheme. He then wrote a letter expressing his inability to accept the Voluntary Retirement Scheme and sought permission to withdraw the option submitted by him on 1.1.2001. The Bank apparently declined to consider his withdrawal and was about to accept the petitioner's application for voluntary retirement when the petitioner approached this Court.

It is an admitted fact that the respondent-Bank had not communicated the acceptance of petitioner's application for voluntary retirement. Thus the petitioner prays for a direction to the respondents to treat the option dated 1.1.2001 for Voluntary Retirement Scheme as cancelled by allowing the

petitioner to withdraw it.

2. Shri Thakur, the learned Advocate for the petitioner submits that it is settled law in the Union of India and another v. wing Commander T. Parthasarathy that "recommendation or an application for voluntary retirement can be withdrawn any time before its acceptance."

3. Shri Moharir the learned Advocate for the respondents however relies on Clauses 10.4 and 10.5 of the scheme which read as follows;

"10.4 A mere request of an employee seeking voluntary retirement under the Scheme will not take effect until and unless it is accepted in writing by the Competent authority.

10.5 It will not be open for an employee to withdraw the request made for voluntary retirement under the scheme after having exercised such option."

According to the learned advocate for the

**KNOWLEDGE IS POWER**

respondents, the employee is not entitled to withdraw the request made for Voluntary Retirement Scheme after exercising such an option.

4. We have heard the learned Advocates for both the sides and it seems to us that though Clause 10.5 suggests that a request for voluntary retirement once made cannot be withdrawn after the employee has exercised such option the actual voluntary retirement takes effect only upon its acceptance in writing by the competent ' authority and not the mere exercise of such option. Therefore an option which is exercised for voluntary retirement can be withdrawn before its acceptance, since it has not taken effect till then.

5. In the case relied upon by the learned Advocate for the petitioner, the employee was obliged to furnish a certificate to the extent that he was fully aware of the fact that he cannot later seek for cancellation of the application for premature retirement once made. Even in such a case the Hon'ble Supreme Court held that

such a certificate cannot be destructive of the right of the respondent in law to withdraw his request for premature retirement before it ever became operative and effective. The Hon'ble Supreme Court further held that a substantive right of a person cannot be denied except on the basis of a statutory provision or rule or regulation. In these circumstances the petitioner is entitled to succeed. We accordingly allow the petitioner in terms of prayer Clause (i) which reads as follows:-

"direct the respondents to treat the option dated 1.1.2001 (Annexure 'c' ) given by the petitioner for Voluntary Retirement Scheme as cancelled by allowing the petitioner to withdraw the same."

6. Rule made absolute in above terms.

No order as to the costs.

Petition Allowed.

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