



IBOA CONNECT



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Safeguard and Strengthen Public Sector Banks

Dear Comrades,

We will be observing the **56th Anniversary of Bank Nationalization Day on 19th July 2025.**

The nationalization of banks was a landmark decision aimed at promoting financial inclusion, extending banking services to the grassroots, and channelizing public savings towards inclusive and equitable development. Over the decades, Public Sector Banks (PSBs) have successfully fulfilled these objectives and have consistently served the banking needs of the nation. On numerous occasions, when Public Sector Banks encountered shocks arising from economic or other challenges, they have demonstrated remarkable resilience. Over time, they have emerged as some of the most efficient and reliable public sector enterprises in the country.

However, in the past two decades, the public sector character of banks has faced serious challenges. UFBU has remained vigilant and has effectively resisted such attempts. Notably, the NDA government introduced the privatization bill in Parliament twice—first in 2001 and again in 2021. On both occasions, due to the steadfast efforts of bank employees and associations, the bill was not allowed to be passed.

If we trace the history of Nationalization of Banks, in June 1967, the then Finance Minister Shri. Moraji

Desai had convened the meeting of Chairpersons of the leading commercial banks. He made it clear to the chief of commercial banks that they had the choice between falling in line with the wishes of the government in extending credit to small farmers and SME sectors and succumbing to the Nationalization of Banks.

If we look into the events of the Nationalization of Banks in 1969, on 17th July 1969 then Prime Minister Smt. Indira Gandhi pitched for the Nationalization of Banks in the Congress Working Committee held in Bangalore. On 18th July, then PM had given confidential instructions to her Principal Secretary Shri. Haskar and Deputy Secretary of Banking Department Shri. D N Ghosh to prepare the Ordinance for Nationalization of 14 Major Banks.

On 19th July 1969 at 5.00 pm the Cabinet met and approved the 14 Bank Nationalization and on the same night the ordinance was signed by the then President Shri. V V Giri before demitting his office on 20th July 1969.

On 20th July 1969, Full Bench Supreme court heard a writ challenging the validity of the ordinance and gave an interim stay on appointing advisory board by the Union Government and removing any of the 14 Chairpersons of the Nationalized Banks.

Bank Nationalization Bill was introduced in the Lok Sabha on 25th July 1969. Eleven day long debate

was carried out in the parliament on this bill. Shri. Atal Bihari Vajpayee of Jan Sangh raised the issue of propriety in promulgating an ordinance. Smt. Indra Gandhi justified the exigency in unequivocal terms. Shri. Minoo Masani of Swantantra Party and Shri. J B Kripalani and some others spoke against the bill. Shri. S A Dange and Shri. P Ramamurthy of Left parties urged for immediate passing of the bill. The bill was passed in the Lok Sabha on 4th Aug 1969 and in Rajya Sabha on 8th Aug 1969.

The lawyer of the petition against Nationalization of Banks was the formidable Shri. Nani A Palkhivala who had taken the case free of charge.

It was a 34 day trial with full sitting bench of 12 judges. The respondents for the government were Attorney General Shri. Niren Dey and other senior advocates.

The substance of Palkhivala's argument was that Government already had control over the Banks and there is no necessity for Nationalization of Banks. Further he argued that Government could have acquired only the part of the Banking Business that involved accepting deposits and lending money as defined in the Section 5 of BR act and could not be expanded to include other kinds of businesses such as guarantee, money transfer, safe deposit of articles etc.,

Then Deputy Secretary of Banking Departement Shri. D N Ghosh had collected many data from RBI reflecting snail's pace of development of the country after so many years of independence and also taken out the document of the 1806 Act that had included within the ambit of banking, activities other than accepting deposits and lending.

With the above documents, the Attorney General made his submissions in the Supreme Court. On 10th Feb 1970, the Supreme Court upheld the

acquisition of the major banks on the ground that it had been done to serve the public purpose. Such was the pain taken by our Parliamentarians, Bureaucrats and Judiciary in Nationalizing the Banks in the interest of the development of the people and the nation.

The Government is currently awaiting an opportune moment to proceed with its proposal, as announced in the Union Budget 2021, to remove a few public sector banks from the list of public sector enterprises. On 56th Anniversary of Nationalization day, We solemnly pledge to uphold and protect the public sector character of our banks. We recognize that public sector banks serve as pillars of inclusive growth, social justice, and national development. We commit ourselves to safeguard their autonomy, ensure their accountability to the people, and resist all efforts towards privatization that undermine their public service mandate. Let us stand united to preserve the integrity and purpose of our public sector banks for the greater good of society.

Yours Comradely



R Sekaran
Secretary General

LET US KNOW ...

Spirit of the Constitution – Socialism and Secularism

Introduction (Context)

The Indian Constitution enshrines the values of **socialism and secularism** to ensure justice and equality in a diverse, multi-religious, and hierarchical society. Though explicitly inserted in the Preamble by the 42nd Constitutional Amendment Act (1976), these **values were inherent in the Constitution's text and spirit since its inception.**

Socialism in the Constitution:

- Emphasized in the Preamble: Justice — social, economic, and political.
- **Directive Principles (Article 38, 39):** Promote equitable distribution of wealth, prevention of concentration of wealth, and welfare of the people.
- **Example:** Right to Education Act, National Food Security Act, and MNREGA are legislative reflections of the socialist vision.
- **Judicial Recognition:** In *D.S. Nakara v. Union of India* (1983), the SC held that the Indian socialism is “**democratic socialism**” which aims to end poverty and inequality.
- Ensures equal access to opportunity, education, and dignity for all.

Secularism in the Constitution:

- Indian secularism promotes positive secularism — equal respect and protection to all religions, not just religious neutrality.
- Reflected in:
 - Article 25–28: Freedom of religion.
 - Article 15: Non-discrimination on religion.

- Supreme Court's 1973 **Kesavananda Bharati case** and **Bommai judgment** reaffirmed secularism as part of the Basic Structure.
- Example : **Shirur Mutt case (1954)** established the doctrine of “essential religious practices”.

Constitutional and Philosophical Backing:

- **Dr. B.R. Ambedkar** emphasized constitutional morality and equal protection.
- Constituent Assembly debates, including Ambedkar's speech on November 25, 1949, revealed the commitment to equality and justice.
- Even before **1976**, the values of socialism and secularism were embedded (not just inserted by 42nd Amendment).

The Basic Structure Doctrine:

- Supreme Court in *Kesavananda Bharati* (1973) held that Parliament cannot alter the basic structure.
- Secularism and Socialism are part of this unamendable structure.
- Even if words are removed from the Preamble, the spirit remains enshrined in enforceable rights and principles.

Conclusion:

Granville Austin called the Indian Constitution a “**social revolution**” document, reflecting a blend of liberalism and socialism. The Constitution must remain a living document reflecting **justice, liberty, equality, and fraternity**. Safeguarding **constitutional morality** is essential in times of ideological contestation.

Equality In Constitution Of India

Context : Constitutional courts in India, particularly the **Supreme Court and High Courts**, play a vital role in interpreting and enforcing the constitutional principle of **equality**, especially in the context of **gender justice** and **anti-discrimination**.

Key Constitutional Provisions:

- Article 14: Guarantees equality before the law and equal protection of laws.
- Article 15: Prohibits discrimination on specific grounds and allows special provisions for women and children.
- Article 16: Ensures equality of opportunity in public employment.
- Article 39(d): Directs the State to ensure equal pay for equal work for men and women.

Judicial Practice and Landmark Judgments:

Substantive Equality:

Courts have evolved from formal equality to **substantive equality**, acknowledging the need for **affirmative action** to overcome structural disadvantages.

Landmark Cases:

- **Sabarimala Case (2018):** Exclusion of women from the temple ruled unconstitutional.
- **P.B. Vijay Kumar (1995):** Reservations for women in public jobs upheld under Article 15(3).
- **Vishakha Case (1997) :** Laid down sexual harassment guidelines; linked gender justice to Articles 14, 19, and 21.

Principles in Action:

- **Affirmative Action:** Constitutionally valid; essential for real equality.
- **Anti-Discrimination:** Laws and practices violating dignity and equality struck down.
- **Equal Pay:** Courts uphold the right to fair and equal remuneration.

Equality is a fundamental principle of justice that ensures all individuals are treated **fairly and without discrimination**, irrespective of their caste, gender, religion, race, or social status. It is both a **legal right** and a **moral value** essential to democratic societies.

Types of Equality:

1. Formal Equality:

- o Equal treatment under the law.
- o Everyone is subject to the same rules and standards.

2. Substantive Equality:

- o Focuses on outcomes and real-life access to opportunities
- o Supports affirmative action to correct historical and structural disadvantages.

3. Political Equality:

- o Equal voting rights and participation in governance.

4. Social Equality:

- o Elimination of social discrimination based on caste, class, gender, etc.,

5. Economic Equality:

- o Fair distribution of wealth and access to resources.

Bonds and their Types

What is a Bond?

A **bond** is a fixed-income financial instrument that represents a **loan made by an investor to a borrower** (typically a government or corporation). It involves the issuer promising to pay back the **principal** on a specified maturity date along with **periodic interest payments** (called coupon payments).

Key Features:

- Issuer: Government, corporation, or financial institution
- Face Value: The amount paid back at maturity
- Coupon Rate: Interest paid to bondholders
- Maturity: Date when the principal is repaid
- Yield : Return based on purchase price and interest

Types of Bonds:

Government Bonds

- Issued by national governments to finance public expenditure.
- In India: **G-Secs (Government Securities)**.
- Usually **low risk** and offer fixed returns.

Corporate Bonds

- Issued by companies to raise capital for business expansion or operations.
- Higher risk than government bonds but may offer higher returns.

Municipal Bonds

- Issued by local or regional governments to fund infrastructure projects (roads, schools).
- May offer tax benefits to investors.

Green Bonds

- Specifically used to fund environmentally sustainable projects (renewable energy, climate adaptation).
- Aim to combat climate change and support sustainability

Zero-Coupon Bonds

- Sold at a discount; no periodic interest. Aim to combat climate change and support sustainability.
- Investor gets lump sum payment (face value) at maturity.

Inflation-Indexed Bonds

- Returns are adjusted for inflation. Investor gets lump sum payment (face value) at maturity.
- Protect investors' real purchasing power.

Convertible Bonds

- Corporate bonds that can be converted into company equity shares under specified conditions.

Sovereign Bonds

- Issued by a country in foreign currency, often targeted at international investors.



Wedding Bells

Selvi. J Renita Ray, M.Com., (CA)
(D/o Com R Joseph, Senior Manager, Ser Branch)

Married to
Com. A Jerome, B.Com., MBA
(Asst Manager, Indian Bank)

At
Chennai on 01.06.25

Selvan. Aahkash
(S/o. Com. M Chakkaravarthy Piloo Mody,
Manager (Retd))

Married to
Selvi. Madhuri

At
Chennai on 06.06.25

Selvi. Srinidhi
(D/o. Com. R Lakshmi, Manager, ZO, Chennai South)

Married to
Selvan. Aravind
(System Engineer, Infosys, Bengaluru)

At
Chennai on 16.06.25

Com. Vani Ramesh, B.E.,
(CSA, Park Town Branch)

Married to
Selvan. P. Charan Prasanna, B.E., M.S.,

At
Chennai on 27.06.25

AIBOA Wishes A Very Happy Married Life To The Newly Wedded Couple.

IMPORTANT CIRCULARS DURING THE MONTH OF JUNE 2025

Circular No	Circular Date	File No	SUBJECT
23363	02/JUN/2025	ADMIN-34	Extension of Staff Accountability Policy 2022-25
23366	02/JUN/2025	ADMIN-35	Creation of FGMO Jaipur and Re-organisation of FGMOs Delhi and Bhubaneswar
23374	05/JUN/2025	ADMIN-37	Bankers Indemnity Policy For The Financial Year 2025-26
23375	04/JUN/2025	ADV-37	Launch of "MSME RISE" Campaign
23383	06/JUN/2025	ADV-38	Review of REPO Linked Benchmark Lending Rate
23385	06/JUN/2025	DEP-9	REVISION OF CARD RATE OF INTEREST FOR RETAIL TERM DEPOSITS
23394	13/JUN/2025	ADV-42	Basel III Capital Regulations - External Credit Assessment Institutions (ECAI) - Brickwork Ratings India Private Limited
23402	19/JUN/2025	ADMIN-46	Amendment to KYC/AML/CFT Policy 2025-26
23409	20/JUN/2025	ADV-48	Revision in the Legal Scrutiny Report (LSR) Format
23415	24/JUN/2025	ADV-50	RBI MASTER CIRCULAR ON CREDIT FACILITIES TO SCHEDULED CASTES (SCs) & SCHEDULED TRIBES (STs)
23417	24/JUN/2025	ADV-51	Credit Policy

Non-inclusion of a circular does not reflect on its importance

Retirements

S.No.	NAME	DESIGNATION	BRANCH
1	Shri. MAHESH KUMAR BAJAJ	EXECUTIVE DIRECTOR	CORPORATE OFFICE
2	Com.JOHNSON J .	ASST. GENERAL MANAGER	CO:INSPECTION DEPT
3	Com. DHANDAPANI S .	DEPUTY ZONAL MANAGER	ZO:TIRUNELVELI
4	Com. GAJENDRA SINGH CHILWAL .	DEPUTY ZONAL MANAGER	ZO:NOIDA
5	Com. JAISANKAR M .	CHIEF MANAGER	CO:INSPECTION DEPT
6	Com. RAVI K .	CHIEF MANAGER	INSP. CENTRE, COIMBATORE
7	Com. MURALI G .	BRANCH MANAGER	VILAKUTHOON
8	Com. MURUGESAN S .	HR OFFICER	CO:ESTATE
9	Com. PRADIP KUMAR .	CHIEF MANAGER	KATHIHAR
10	Com. JAGANNADHA RAO V S .	HR OFFICER	ZO:HYDERABAD
11	Com. MANOJ KUMAR SUDHANSU .	HEAD OF VERTICALS (BM)	DAMC MEERUT
12	Com. SRIDHAR G .	SENIOR MANAGER	ATM SERVICE CENTRE, CHENNAI
13	Com. KUMARESAN S .	ASST. BRANCH MANAGER	CHROME PET
14	Com. PALANISAMY T K .	ASST. BRANCH MANAGER	NALL ROAD
15	Com. KANNAN N .	SENIOR MANAGER	RIC, TRICHY
16	Com. VIJAYA R .	ASST. BRANCH MANAGER	NEW TIMBER YARD LAYOUT
17	Com. DILIP MURALIDHAR DHAPODKAR .	ASST. BRANCH MANAGER	GANDHI BAGH
18	Com. TARA SHANKAR KUNDAN .	SENIOR MANAGER	INSP. CENTRE, MUMBAI
19	Com. DINESH SINGH .	ASST. BRANCH MANAGER	KOLUA KALAN NARELA
20	Com. KALI CHARAN LARIYA .	SENIOR MANAGER	SAGAR
21	Com. KEDAR NATH NAIK .	SENIOR MANAGER	SAHEED NAGAR
22	Com. BHARAT KUMAR DAS .	SENIOR MANAGER	IC BHUBANESHWAR
23	Com. GYANARANJAN MOHAPATRA .	BRANCH MANAGER	BIRIDI
24	Com. ASOKAN M .	ASST. BRANCH MANAGER	COLACHEL
25	Com. SELVARAJ R .	SECURITY OFFICER	ZO:MADURAI
26	Com. PRADIP KUMAR .	MANAGER	PATNA KHAGAU
27	Com. SUDHA MISHRA .	ASST. BRANCH MANAGER	RAJOKHRI
28	Com. TARAK NATH DUTTA .	HEAD OF VERTICALS (BM)	KOLKATA ZONAL STATIONERY
29	Com. RAMANATHA SUNDARESAN V .	ASST. MANAGER	CO:BANKING OPERATIONS DEPT
30	Com. NAGESWARAN K .	ASST. BRANCH MANAGER	UTTAMAR GANDHI SALAI
31	Com. SIVAKUMAR T K .	ASST. MANAGER	PUDUR
32	Com. BHEEMUDU UGADI .	ASST. BRANCH MANAGER	PRATHAKOTA
33	Com. VASANT BHAIKHAYE .	ASST. MANAGER	INSP. CENTRE, MUMBAI
34	Com. SUNIL KUMAR YADAV .	ASST. MANAGER	HAMIRPUR KUCHECHA

AIIBOA Wishes the above Comrades a Very Happy, Healthy and Peaceful Retired Life.

Photo Gallery



Central Consultative Meeting held at Chennai on 02 07 25.



All India State Bank Officers' Federation's 29th Triennial General Council held at Hyderabad on 27 06 25.



**Union Bank of India Officers' Association,
TN conducted its 26th General Body meeting at Chennai on 06 07 25.**