



# **BANK EMPLOYEES FEDERATION OF INDIA**

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To all Units, Office Bearers, CC & GC Members

Dear Comrades,

**(i) DEMONETISATION**

**(ii) OT for Extra-Work**

We reproduce hereunder, continued in the following pages, (i) the PRESS HAND OUT issued to the media during a Press Conference held at our Central Office on 10<sup>th</sup> this month and (ii) our letter to IBA for extra-work/working on holidays. These are for your information, record and guidance.

With greetings,

Yours comradely,



**(PRADIP BISWAS)**  
**GENERAL SECRETARY**

**Text of PRESS HAND OUT dated 10.11.2016**

**Quote:** “Having miserably failed, better still, neglected, to fulfill any of the electoral promises, more so on the assurance to retrieve black money stashed abroad, the BJP-led Government at the centre is, once more, at its histrionic best, the gimmick this time being demonetization of 500 & 1000 Rupee Notes, ostensibly, to arrest the menace of Black Money. The announcement of demonetization, made by no less than the Hon’ble Prime Minister himself, on 8<sup>th</sup> evening, is neither the first nor unique of its kind; the post independent India, it may be recalled, have had the experience of demonetization when Rs1000/-, Rs.5000/- and Rs.10,000/- notes were demonetized more than 38 years ago, on 16<sup>th</sup> January 1978. At that time too, unearthing of Black Money was the declared objective. But what is our experience; the quantum of Black Money has increased several thousand folds since the first round of demonetization. Though there has not been any serious initiative by the Government of India, at any time, to assess and quantify the precise magnitude of the menace, some revelations are most indicative.

It is more than just open secret that those accumulating huge Black Money, do not keep the same in currency notes. Stashing illegal fortunes in Swiss Banks was the rule earlier.

According to a White Paper on Black Money in India, Swiss National Bank estimates that the total amount of deposits in all Swiss banks, at the end of 2010, by citizens of India were Rs.92.95 billion, US\$2.1 billion; the Swiss Ministry of External Affairs has confirmed these figures upon request by the Indian Ministry of External Affairs. According informed media sources, the actual amount is about 700 times more, a whopping \$1.4 trillion (more or less, Rs 75/= lakh crore).

In February 2012, the then CBI director, speaking at the inauguration of first [Interpol](#) global programme on anti-corruption and asset recovery said: "It is estimated that around 500 billion dollars of illegal money belonging to Indians is deposited in tax havens abroad."

In February 2015, [Indian Express](#) released a list of Indians having deposit of Rs.25,420/- crore (US\$3.8 billion) for the year 2006-07 in [HSBC](#)'s Geneva branch alone.

Hassan Ali Khan, an arms broker, was arrested by ED and the Income Tax Department on charges of stashing over Rs.36000/- Crore in foreign banks. However, media sources claimed this case is becoming yet another perfect instance of how investigative agencies like Income Tax Department go soft on high-profile offenders. Ali's premises were raided by ED as far back as 2007. According to several news reports, the probe against him has proceeded at an extremely slow pace and seems to have hit a dead end.

It is estimated that the size of India's black money economy is between 23 and 26% of GDP.

The Big Guns of Black Money, the big Corporates & MNCs, have, however devised some new techniques whereby Black Money is routed back into the economy through **ROUND TRIPPING** which involves getting the money out of the country, say to a place like Mauritius and then, dressed up to look like foreign capital, sending it back home to earn tax-favoured profits.

Another technique is exemplified by the Vodafone Tax Case whereby foreign multinational companies evade tax payments in India by making transactions with **SHELL COMPANIES** registered in tax haven countries. *Even the small players today invest their unaccounted money in real estates through **BENAMDARs**.*

It is thus obvious that the present move of demonetization is nothing more than another gimmick on the eve of election to a few State Assemblies, including that of the all important Uttar Pradesh, though, it may, admittedly, net a negligible few crores from some small time professionals accepting their professional fees in Cash. Similarly, the move may be effective in arresting the menace of fake notes which, however, could be achieved through stringent and effective surveillance machinery/mechanism. In the matter of gagging the terror groups and terrorist activities financially, the measure would be of little use consequent upon the advent of plastic money.

It is worth mentioning here that, following a series of protests and demonstrations across the country, the Central Government appointed a High Level Committee in 2011, headed by the then Chairman of CBDT, to study the generation and curbing of Black Money. It is very interesting that, with apparent reference to the Congress and the BJP, the Committee, in its Report, observed that the both of the **two largest political parties spend between Rs.10,000/- and Rs.15,000/- crore ANNUALLY on Election Expenses alone**. That being the position in 2011-12, one would wonder how much the BJP spent in 2014 when its Election Campaign reached a crescendo. That being the position with our power centres, believing the present Government to be sincerely and honestly serious about arresting the menace of black money, would be a simpleton's naivete or an abysmal depravity. On our part, we refuse to purchase the theory sought to be dished out by the Hon'ble Prime Minister and his campaign machinery, both official and extra-official.

We are rather alarmed that the Hon'ble Prime Minister has arrogated to himself the role, of announcing the demonetization, which should have better been left to the Governor of the Reserve Bank of India. This is another dangerous move at undermining the role of RBI in the matter of currency management.

Be that as it may, the general banking public, the middle-class and the marginal people, particularly those having no Bank Account, would be put to untold inconvenience for the next few days; they would be queuing up before the Bank counters with pent up tensions which may, in some cases at least, find unpleasant expressions through commotions. In its misplaced preference for histrionics, the Government might have ignored such consequences of its sudden move; but, at any event, we cannot. While, therefore, demanding of the Bank managements to provide adequate manpower to deal with the situation and serve the constituents with legitimate possession of demonetized currency notes, we advise the Bankmen at all levels to attend to the Banking public with compassion and humanitarian outlook.” **Unquote**

**Text of our letter, dated 11.11.2016, to IBA, on payment of OT Allowance**

**QUOTE** : You are aware of RBI directive to Banks on working beyond scheduled business hours on and from 10<sup>th</sup> to 15<sup>th</sup> as also to keep the Banks open on 12<sup>th</sup> (Second Saturday) and 13<sup>th</sup> (Sunday) of this month with a view to facilitating customers, as also those having no Bank account, deposit/exchange //500// and //1000// Rupee Notes since demonetized. Accordingly, all the Banks have issued necessary instructions to the employees for working extra-hours on the working days and on two holidays as aforesaid. However, while so issuing instruction to their respective employees, most of the Banks have not issued any direction to the respecting paying authorities for payment of appropriate Overtime Allowance to the employees concerned, as provided for in the Bipartite Settlement, for such extra-work and/or working on holidays.

Notwithstanding our serious reservations about the justification of the present demonetization and/or the manner and authority for making the announcement, etc., we cannot and have not been oblivious to the untold inconveniences the general public have been put to because of such shock announcement. To mitigate at least a little of the harassment they have been forced to endure because of the whims of the authorities that be, we have suitably advised our members, and have also called upon the Bankmen beyond our fold, to exert as much as possible to help the constituents deposit and other sections of the public (non – Account holders) exchange the demonetized currencies in their passion.

Simultaneously, interests of the employees being the topmost priority of our agenda, we wish to ensure that they are not put to unnecessary inconvenience in realizing their legitimate dues, in respect of the extra-work and/or working on holidays, from their respective employer-Banks.

In the circumstances, we request your suitably advising your member Banks to issue appropriate instruction for payment of Overtime Allowance, in terms of the Bipartite Settlement, to the employees concerned, for the extra-work as aforesaid.

Your await your appropriate positive action at your earliest convenience. **UNQUOTE**