MINISTRY OF FINANCE
(Department of Financial Services)
ORDER
New Delhi, the 13th August, 2008

G.S.R. 589(E). — Whereas, the State Bank of India (hereinafter referred as the Transferee Bank), with the sanction of the Central Government and in consultation with Reserve Bank, has entered into negotiation for acquiring the business, including the assets and liabilities of the State Bank of Saurashtra (hereinafter referred as the Transferor Bank);

Whereas, the terms and conditions relating to acquisition have been agreed upon by the Central Board of Transferee Bank and the Board of the Transferor Bank in the form of a Scheme;

And whereas, the Reserve Bank has approved to such acquisition agreed upon, by the Transferor Bank and the Transferee Bank, and submitted the same to the Central Government for its sanction;

Now therefore, in pursuance of powers conferred under sub-section (2) of section 35 of the State Bank of India Act, 1955 (23 of 1955) (hereinafter referred as the said Act), the Central Government, by the following Order, accords its sanction, namely:-

1. (1) This Order may be called as the **Acquisition of State Bank of Saurashtra Order, 2008.**
(2) It shall come into effect on the date of its publication in the Official Gazette.

2. On and from the effective date, the undertaking of the Transferor Bank, as it stood before the effective date of this Order, shall, without any further act, instrument or deed, stand transferred to, and vest in, the Transferee Bank, The entire share capital of the Transferor Bank, which is held by the Transferor Bank shall stand cancelled on the effective date.

3. The undertaking of the Transferor Bank which is transferred to, and vest in, the Transferee Bank shall be deemed to include all business, assets, rights, powers, authorities and privileges and all properties namely movable and immovable, real and personal, corporeal and incorporeal, in possession or reservation, present or contingent of whatever nature and whatsoever situate including lands, buildings, fixtures, vehicles, cash balances, deposits, foreign currencies, disclosed and undisclosed reserves, reserve fund, special reserve fund, benevolent reserve fund, any other fund, stock, investments, shares, dividends, bonds, debentures, security,

management of any industrial concern, loans, advances and guarantees given to industrial concerns, other tenancies, leases and book-debts and all other rights and interests arising out of such property as were immediately before the effective date in the ownership, possession or power of the Transferor Bank within or outside lndia, all books of account, registers, records and documents relating thereto and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind within or outside India then subsisting of the Transferor Bank;

4. All contracts, deeds, bonds, guarantees, powers-of-attorney, other instruments and working arrangements subsisting immediately before the effective date shall be of as full force and effect against or in favour of the Transferee Bank and enforceable as fully and effectually as if instead of the Transferor Bank, the Transferee Bank had been named therein or had been a party thereto;

5. Any proceeding or cause of actions, suits, decrees, recovery certificates, appeals and all other legal proceedings pending before an court or tribunal or any authority by or against the Transferor Bank may, as from the effective date, be continued and enforced by or against the Transferee Bank in which the Transferor Bank has vested by virtue of this Order as it might have been enforced by or against the Transferor Bank as if this Order had not been in force and shall cease to be enforceable by or against the Transferor Bank;

6. Every officer or other employee of the Transferor Bank (except the Board of Directors and Executive Trustee) serving in the employment immediately before the effective date shall become, as from the effective date, and shall hold his office or service therein in the Transferee Bank on such terms and conditions approved by the Board of the Transferee Bank and shall continue to work as an officer or, as the case may be, employee of the transferee Bank:

   Provided that the pay and allowances offered to the employees / officers of the Transferor Bank shall not be less favorable, overall, as compared to what they would have drawn in the Transferor Bank.

7. The Chairman of the Transferee Bank may require the services of such officers or other employees of Transferee Bank or a Subsidiary Bank constituted under the State Bank of India (Subsidiary Banks) Act, 1959, as it may deem fit, on such terms and conditions for the purposes of acquisition of Transferor Bank.

8. Where an officer or the employee of the Transferor Bank does not exercise any option to be in employment of the Transferee Bank, such officer or employee shall be deemed to have continued in the service of the Transferee Bank.

9. Notwithstanding anything contained in the Industrial Disputes Act, 1949 (14 of 1947) or in any other law for the time being in force, the transfer of the services of any officer or other employees of the Transferor Bank to the Transferee Bank shall not entitle to such officer or other employees to any compensation under the provisions of the industrial Dispute Act, 1949 (14 of 1947) or any other law for the time being in force and no such claim shall be allowed by any court tribunal or any other authority;

10. The officers or other employees who have retired before the effective date from the service of the Transferor Bank or opted not to join in the ser-vice of the Transferee Bank after this effective date and entitled to any benefits, rights or privileges from Transferor Bank shall be entitled to receive such benefits, rights or privileges from the Transferee Bank.

11. The Provident Fund or the Gratuity Fund or the Pension Fund or any other Funds of Transferor Bank and any other bodies created, established or constituted, as the case may be, for the officers or other employees shall continue with the Transferee Bank and any income tax or other tax exemption granted to the Provident Fund or the Gratuity Fund or Pension Fund or any other Funds, if any, shall continue to be applied to the Transferee Bank.

12. Notwithstanding anything contained in the State Bank of India Act, 1955 or the State Bank of India (Subsidiary Banks) Act, 1959 or any other law for the time being in force or the regulations of the Transferor Bank, the Chairman, the Trustees, Executive Trustees or any other person entitled to manage the whole or substantial part of the business and the affairs of the Transferor Bank shall not be entitled to any compensation against the Transferor Bank or Transferee Bank, as the case may be, for the loss of office or for the premature termination of any contract of employment entered into by him with the Transferor Bank.

[F. No. 2602007-BOA]
AMITABH VERMA, Jt. Secy.