ALL INDIA BANK OFFICERS' ASSOCIATION

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The Hon'ble President
Government of India,
NEW DELHI.

Respected First Citizen of this Great Nation.

FOREIGNISATION OF INDIAN FINANCIAL SECTOR
PROPOSED SALE IDBI BANK TO FOREIGN PLAYERS

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We beseech your kind and immediate intervention in halting the Government and LIC Stake of each 30% to the foreign investor.

2. The case in detail in capsule form is;

- IDBI was originally established by Central Government in 1964 to provide finance to Industries with a capital of Rs 300 Crs..
- Then, the control of handling the banking activities was transferred to Reserve Bank of India by Government of India.
- In our country, IDBI, was the first developmental Financial Institution (DFI) and the project finance report and findings were of great relevance and important.
- Due to the change in the banking activities carried out by the Bank, it became of late an **"Universal Bank".**
- The bank, which has undergone the pressures and pulls of reverse merger as well as taking over the crisis ridden **United Western Bank Ltd,** headquartered at Satara, Western Maharashtra.
- Due to long term finance for projects, where the repayment period was spreading over 3 to 4 decades with short term deposits led to accumulated Non-Performing Assets, which was provided off the Balance Sheet (SASF) and the accounts were subjected to CAG audit by Government of India.
- When the bank was in dire need of the capital, Government of India, initiated a move to direct the another Public Sector Financial Institution **LIC in the year 2019 to shore up the capital of IDBI, when the share of the IDBI was for Rs.61.00.**
- **The total business for the quarter ended 30.06.2026 was Rs.5,84,725 crores with total deposits of Rs.3,25,757 Crs and advances of Rs.2,58,968 Crs. The loan coverage ratio is nearly 100%.**

- In the last six years period from 2020-21 to 2025-26, the booked the gross and net profit as follows:

No	FINANCIAL YEAR	OPERATING PROFIT Cr	NET PROFIT Cr.
1.	2020-21	Rs. 7,091	Rs. 1,359
2.	2021-22	Rs. 7,495	Rs. 2,439
3.	2022-23	Rs. 8,736	Rs. 3,645
4.	2023-24	Rs. 9,592	Rs. 5,634
5.	2024-25	Rs.11,079	Rs. 7,515
6.	2025-26	Rs.10,838	Rs. 9,513

- The bank has employed **21,000** staff members, out of which the break-up the category - wise staff as under;

Scheduled Caste	**3,070**
Scheduled Tribe	**1,214**
Other Backward Class	**5,604**
Economically weaker section	**805**
Women	**7,448**
Differently Abled	**884**

- The bank was allotted the land by the erstwhile Andhra Pradesh Government in the year 1989 at the rate of Rs.25,000/ per acre and IDBI Bank as on today holds 50 acres in which their International Training Institute is functioning.
- Apart from the above, the book value of the immovable assets as per the Balance sheet is Rs hovering around Rs.40,000 Crs.

1. We have the information from the print media sources that the Government of India department has moved forward to conclude sale of the 60% sale to an Indian born Canadian, Fair Fax India Holdings, who had expressed his desire in **5th June 2022** with certain pre conditions, to take the control of the Bank as Promoter.
2. Last financial year ended, the foreign bidders were not prepared to offer the reserve price fixed by the Government of India.
3. Now, it has come to our knowledge that the Government of India, in order to accommodate the bidders, reduced the reserve price fixed by them.

OUR ORGANISATIONAL CONCERNS ARE:

I. During December, 2003, the Government of India had recorded before the committee of assurances that Government of India shall always hold 51% in IDBI Bank.

II. The LIC having invested the money in IDBI @ Rs.61/- per share should fetch minimum of Rs.122/- as the period of investment is for 7 years and 6 month, whereas per share price is around Rs.81/ ie means the policy holders are made to suffer.

III. **Though, RBI had classified the Bank for certain regulatory purposes as Private Sector, but still all the rules and regulations applicable or practiced are in line Public Sector Banks.**

IV. **In order to bring IDBI under the coverage of Public Sector, it would be proper and prudent to acquire the 6% of the shares from the open Market or from LIC itself.**

V. **In the event of the foreign player stepping into the shoes of a promoter, it will be the beginning of the end of financial system to begin with.**

VI. **The retrograde step initiated by the Government Of India, would further lead to acquire the stake In LIC, which is 100% open for foreign directed Investment.**

VII. **As LIC has also provided capital support to the Public Sector Banks, the small opening provided to the foreign player in IDBI, shall explore the avenues to procure the stake in public Sector Banks too.**

VIII. **The constitutional rights and privileges available to the staff, would be withdrawn mercilessly, as we are experiencing the same in CSB ltd., where wages were not revised for the past 10 years.**

AN APPEAL:

Respected Madam,

You are the Custodian of the Public Sector Financial Institutions as well as Public Sector Undertakings. We, as a responsible organization from the financial sector strongly visualize a situation as that of the East India Company entered through Surat in 1617 and finally they took the control Governance of our Nation. Our fore fathers had to launch new agitational methods to push them out of our country.

Further the Government should stick up to their commitment expressed before the Committee of Assurances about the 51% capital in IDBI.

We seek your indulgence in protecting the Public Sector Financial Institutions, as they are Nation building instruments, which are preserved and promoted for well being the citizens of this great country.

With respects and regards.

Yours respectfully

(S.NAGARAJAN)
GENERAL SECRETARY

REPRODUCED BY KARNATAKA BANK OFFICERS' ORGANISATION (REGD.) MANGALURU-575 003

Mangaluru
05.08.2026

(SURESH HEGDE S)
GENERAL SECRETARY