



ALL INDIA BANK OFFICERS' ASSOCIATION

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PRESS STATEMENT ISSUED BY S. NAGARAJAN, GENERAL SECRETARY, ALL INDIA BANK OFFICERS' ASSOCIATION

AIBOA OPPOSES THE FOREIGNISATION OF INDIAN FINANCIAL SYSTEM

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All India Bank officers Association, (**AIBOA**), a trade union organization of Bank officers working in Public, Private, Regional Rural Banks and Co-operative Sectors, is consistently opposing the moves of the Private Sector Banks backed up by the Government at the Centre and also its extended arm of Controller of the Banking System - Reserve Bank of India, preferring to allow the foreign capital to enter into Indian Financial System.

2. To trace the history in the recent past, one of the old generation private sector Bank, **LVB** having its headquarters in KARUR (Tamil Nadu), a textile town, was forced to be taken over by the local unit of **Development Bank of Singapore (DBS) in November 2020**. Preceding to this exercise, in July 2018, **FAIRFAX INDIA, a local unit of Fairfax India Canada**, acquired originally 51% stake in Catholic Syrian Bank now rechristened as CSB, now holds **40% in the Bank**. The new Generation Private Sector Bank, **YES Bank**, was in **trouble in 2020** and the present Government intervened and the bail out operations through investment by SBI and other six financial institutions were carried out. The Bank was headed by senior most officer of SBI, who stabilized the operations with his vast experience. The 24.2% stake was purchased by **Japan's Sumitomo Mitsui Banking Corporation of the Yes Bank**.

3. The 82 years old Ratnakar Bank Ltd, now, rechristened as RBL Bank, having the total business of Rs.2,07,000 Cr (Deposits Rs.1,05,000 Crs + Advances Rs.1,02,000 Crs.) mobilized through directly controlled bank branches of 570+ branches together with 1100 and odd branches handled by Business correspondents. **RBL bank with strong fundamentals has worked out an understanding with EMAIRATES NBD BANK PJSC to acquire 51% stake in RBL Bank as per agreement arrived at between both the entities, though the Foreign Investor can acquire up-to 74% stake in RBL BANK Ltd. By this proposed move, Dubai Government will hold 51% in RBL Bank Ltd. As on date RBL bank does not have a promoter. The 100% shares of bank are held by retail investors, domestic / foreign institutional investors and Insurance companies.** The Foreign entity EMAIRATES NBD Ltd has got three branches in India Mumbai, Delhi and Chennai.

4. The foreign entities acquiring the stake in the Financial Institutions is certainly against the professed principle of the present Government at the Centre. When the Banking System stood the test of times in the past as well as now, much against global developments, the Controller of the Banking System i.e RBI should not allow the Emirates NBD Ltd, to acquire the stake in RBL Bank Ltd. Though the voting rights are as on date restricted up-to 26%, the present dispensation at various levels may tweak the rules to facilitate the foreign entities to dictate as well as the financial system step by step, as it happened in the past by the East India Company, which came for trade business ultimately took control of the Governance aspects.

5. The Foreign Capital acquiring the stake in the Indian Banking System at the instance of Regulator and the present Government at the center is a dangerous proposition. It is not only high risk but also against the sovereignty of our Nation.

6. In view of the above, AIBOA, shall be taking up the matter with all concerned and strive its best to halt the foreign acquisition of the Indian Banking System, in all forms.

We appeal to the public at large as well as citizens of Western Maharashtra to extend the whole hearted support to our organization in our organizational actions.

CHENNAI

21.10.2025

Yours comradely,



S. NAGARAJAN

GENERAL SECRETARY

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(Suresha Hegde S.)
GENERAL SECRETARY

Mangaluru

21.10.2025

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