



UNITED FORUM OF IDBI OFFICERS AND EMPLOYEES

C/o AIIDBIOA, First Floor, IDBI TOWER, CUFFE PARADE, MUMBAI-400 005



PRESS RELEASE

August 08, 2024.

DHARNA at Jantar Mantar, Delhi on August 08, 2024 against the proposed sale of IDBI Bank to private / foreign players by Gol and LIC

The constituents of United Forum of IDBI Officers and Employees i.e., All India IDBI Officers' Association (AIIDBIOA) and All India Industrial Development Bank Employees' Association (AIIDBEA) have been constrained to face more challenges since February, 2021 considering the ill-conceived plan of Gol and LIC to sell away **IDBI Bank** to private / foreign players. After observing successful one day Dharna program at Azaad Maidan, Mumbai on December 09, 2022, one day Dharna at Jantar Mantar, Delhi on January 04, 2023, followed by one day Dharna at Jantar Mantar, Delhi on August 09, 2023, today we observed **one day Dharna at Jantar Mantar, Delhi** to continue our agitation program **against** the proposed sale of IDBI Bank to private / foreign players by Gol and LIC. It is **very unfortunate** that a premier Institution which has been catering to the needs of Industries, Financial Sector as well as common man / general public for the last **60 years** has been put for sale to private / foreign players.

The present move of the Central Government to sell IDBI Bank to private / foreign players is totally **against the solemn assurance** given by the then Honorable Finance Minister on the floor of the parliament on 8th and 15th December, 2003 that Government of India shall, at all times, maintain not less than 51% shareholding in IDBI Bank. Hence, we herewith submit details of our demands for Gol's perusal and favourable response:

1. We oppose the proposed sale of IDBI Bank to private/foreign players as per DIPAM's notification:

The proposed sale of IDBI Bank to the private/foreign players is besieged with the following problems:

PROBLEM NO.1 – SAFETY OF HARD ENDED MONEY OF DEPOSITORS WILL BE AT GREAT RISK The Central Government being promoter with 45.48% shareholding, general public have reposed their continued faith in IDBI Bank because of which the **deposits** in IDBI Bank stood at **Rs.2,77,657/- crores** as on 31.03.2024. **If at all IDBI Bank is sold, the hard earned money of common man and general public will be in peril.** As per the recent amendments to the Deposit Insurance and Credit Guarantee Corporation Act, an account holder will get up to Rs.5,00,000/- (Rupees Five lakhs only) ONLY within 90 days of the RBI imposing a moratorium of the Bank. Gol and LIC both being promoters, the depositors money in IDBI Bank is safe be it Rs.10 lakhs; Rs.1 crore; Rs.10/- crores; Rs.100/- crores; Rs.1,000/- crores. The moment it comes out of ownership of Gol and LIC, the guaranteed coverage amount will come down drastically to Rs.5 lacs ONLY and that too the depositor has to wait for 90 days sometimes. In the recent past, entire Country has seen the woes and sorrows of customers of erstwhile **Punjab & Maharashtra Co-operative Bank** (PMC Bank), erstwhile **Lakshmi Vilas Bank** and **YES Bank** which are totally run by private entities.

PROBLEM NO.2 – CUSTOMER SERVICE TO COMMON MAN AND GENERAL PUBLIC WILL BE AT RISK Today Gol and LIC being promoters, IDBI Bank is having more than 8.54 lakh Basic Savings Bank Deposit Accounts (BSBDAs) with a deposit base of more than Rs.353 crore under the Pradhan Mantri Jan Dhan Yojana (PMJDY); More than 14.70 lakh Bank account holders under Pradhan Mantri Suraksha Bima Yojana (PMSBY); More than 7.21 lakh Bank account holders under Pradhan Mantri Jeevan Bima Yojana (PMJJBY); More than 3.58 lakh Bank account holders under Atal Pension Yojana (APY); 191 Aadhaar Enrolment Centres; one Rural Self Employment Training Institute (IDBI-RSETI) at Satara District which trained 7,165 candidates out of which 5,241 candidates have reported

settled. If at all IDBI Bank is sold, private players will increase minimum balance amount and put more service charges.

PROBLEM NO.3 – AFFORDABLE LOANS TO FARMERS WILL NO LONGER BE AVAILABLE Due to re-classification of IDBI Bank as a “private sector bank” by RBI, Metro and Urban Branches of IDBI Bank stopped providing interest subvention KCC loans to Farmers since March, 2019. If at all IDBI Bank goes into the hands of private players even the Semi-urban and Rural branches will be stopped from lending to farmers/agriculture.

PROBLEM NO.4 – AFFORDABLE SMALL LOANS WILL NO LONGER BE AVAILABLE In case of sale of IDBI Bank to private players, they will stop giving small loans viz., MUDRA/PMSVANIDHI/Stand Up India which are normally offered as unsecured loans to small business customers.

PROBLEM NO.5 – AFFORDABLE EDUCATION LOANS WILL NO LONGER BE AVAILABLE If at all IDBI Bank is sold, unsecured small Education Loans to needy and poor students will no longer be available.

PROBLEM NO.6 – THREAT TO JOB AND JOB SECURITY If at all IDBI Bank is sold, there will be a great threat to job and job security. “Hire and Fire” policy will be implemented particularly in respect of women employees and physically challenged (physical/visual). Around **5,400** permanent women employees and around **470** permanent employees who are physically challenged/visually impaired are working in IDBI Bank. All the Staff of IDBI Bank had undergone All India level competition to secure the job in IDBI Bank owned by Government of India. Many Officers left their previous job with Public Sector Banks/Central Government to join IDBI Bank. The fate of around **18,000 families** supported by permanent employment and around **20,000 families** supported by indirect employment (contractual/temporary/casual basis) will be at risk.

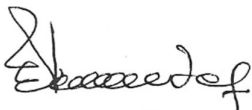
2. We demand Central Government should maintain not less than 51% shareholding in IDBI Bank:

With regard to the recommendations of the Parliamentary Standing Committee that Government shall ensure that its shareholding in IDBI does not come below 51% and the strong and vociferous sentiments expressed by the Hon’ble Members of Parliament in the matter, the Hon’ble Finance Minister, Shri Jaswant Singh categorically **assured** the Lok Sabha on 08.12.2003 and the Rajya Sabha on 15.12.2003 that Government shall retain its shareholding at not less than 51%. The solemn assurance of the then Hon’ble Finance Minister should not be negated and the Central Government should maintain, at all times, not less than 51% shareholding in IDBI Bank.

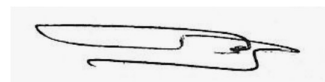
We request Print and Electronic Media to arrange for coverage of this news article in your esteemed Newspaper to protect the interests of the Depositors, the small Agri. and MSME borrowers and the employees of IDBI Bank.

Thanking you,

Yours faithfully,



(Ratnakar Wankhade)
General Secretary, AIIDBEA
& Joint Convenor
Mobile: 9967717181
Email: wankhede66@gmail.com



(Vithal Koteswara Rao A.V.)
General Secretary, AIIDBIOA
& Joint Convenor
Mobile: 9490122141
Email: vithal.amara@gmail.com