

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT
(DIPAM)

LOK SABHA
STARRED QUESTION NO. *17
TO BE ANSWERED ON MONDAY, DECEMBER 01, 2025
AGRAHAYANA 10, 1947 (SAKA)

STRATEGIC DISINVESTMENT OF IDBI BANK

*17. Shri Chavan Ravindra Vasantrao, Shri Sudheer Gupta

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal/plans for strategic disinvestment in IDBI Bank;
- (b) if so, the details thereof along with the time by which the process of strategic disinvestment in IDBI Bank is likely to be completed;
- (c) whether any foreign bank/financial institution has shown interest in acquiring the IDBI Bank and if so, the details thereof;
- (d) the quantum of revenue likely to be generated/earned by the Government and Life Insurance Corporation of India through this strategic disinvestment of IDBI Bank; and
- (e) whether the Government has consulted Unions and Associations of IDBI Bank employees to address their concerns about the proposed disinvestment of IDBI Bank and if so, the details thereof?

ANSWER

THE MINISTER OF FINANCE
(SMT. NIRMALA SITHARAMAN)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO.*17 TO BE ANSWERED ON 01st DECEMBER,2025, REGARDING 'STRATEGIC DISINVESTMENT OF IDBI BANK'

(a) and (b) The Cabinet Committee on Economic Affairs (CCEA) in its meeting on 05.05.2021 has given 'in principle' approval for the strategic disinvestment along with transfer of management control in IDBI Bank Ltd. of such extent of shareholding in Government of India and LIC as may be decided in consultation with LIC and within the framework agreed to by the Reserve Bank of India (RBI).

Pursuant to the CCEA's (Cabinet Committee on Economic Affairs) approval in May 2021 for strategic disinvestment along with transfer of management control in IDBI Bank Ltd, 60.72% of IDBI Bank's equity is being offered for strategic disinvestment with transfer of management control, wherein GoI is offering 30.48% (post sale GoI's residual equity to be 15%) and Life Insurance Corporation of India (LIC) is offering 30.24% equity for disinvestment (post sale LIC's residual equity to be 19%).

The Preliminary Information Memorandum (PIM) for inviting Expression of Interest (EoI) from potential bidders was published on 7th October, 2022. In response to the PIM, multiple Expressions of Interest (EOIs) were received. These EOIs were sent to Ministry of Home Affairs (MHA) for Security clearance and the Reserve Bank of India (RBI) for 'fit and proper' assessment. After security clearance from MHA and fit and proper evaluation by RBI, the transaction is currently in the stage of due diligence by Shortlisted Bidders (SBs).

(c) As per the extant process, the identity of bidders cannot be disclosed before completion of the transaction.

(d)& (e) The realisation of proceeds by the GoI and LIC is a function of the bid received and is therefore not known at the moment. While deciding the terms and conditions of the strategic sale, legitimate concerns of the existing employees and other stakeholders are suitably addressed through appropriate provisions made in the Share Purchase Agreement (SPA).
