



प्रेस विज्ञप्ति  
PRESS RELEASE

**For Immediate Publication / Broadcast / Telecast**

**PR/1365**

## **IDBI Bank on a Turn Around Path**

**Mumbai, March 10, 2019:** IDBI Bank, with LIC of India as its majority shareholder, is forging ahead with its strategic alliance to create a 'one-of-its-kind' financial conglomerate in the Indian banking space. IDBI Bank is putting in place necessary business enablers to bring the convenience of banking and insurance services at one stop for all its customers. These strategic initiatives will pave the way for improved operations and better financials, which in turn, would lead to wealth maximization for all its stakeholders, including LIC and Government of India.

The Bank is working towards professionalising and broad-basing its Board. The Chairman of LIC has been appointed as the non-executive Chairman of the Bank. The Bank is considering the name of Shri Rakesh Sharma, the current MD of the Bank, for appointment for a further period of three years as MD & CEO of IDBI Bank. Also, the Bank has already inducted in the Board, two new eminent professional independent directors (Professor from Indian School of Business and retired Executive Director, Reserve Bank of India). The new Board will be entrusted with the responsibility of charting out a fresh growth strategy for the Bank as also revamp the corporate governance structure to ensure best-in-class business practices. The Bank has also started reviewing all its policies including credit, investment and its internal processes, risk management practises etc with the help of consultants. The Bank has already started the process of appointing two new Deputy Managing Directors for the Bank, which will be through open competition from the market.

Greater opportunities will emerge for employees of the Bank as it strengthens its financials through business growth. Furthermore, the Bank has also started revamping its Performance

Measurement System (PMS) - IDBI Performance Assessment and Continuous Evaluation (i-PACE) – to make it more objective and system-driven.

IDBI Bank and LIC, through its collective network of branches, offices and workforce, have started leveraging their mutual business synergies. The major areas of synergy identified for the immediate short term are pertaining to selling of LIC policies through IDBI Bank branches, management of cash and other premium receipts of LIC through the Bank's branches, enabling the technical wherewithal available in both the Bank and LIC for offering digital solutions to both, the policy holders of LIC and customers of IDBI Bank. Towards this end, LIC has signed an agreement with IDBI Bank to be its Corporate Agent under bancassurance.

The long term strategy include common investment strategy, use of other resources like real estate, commercial and residential space, IDBI Bank branches, premises and ATMs, digital marketing, rationalization of the common subsidiaries in Mutual Funds, Life Insurance etc.

With this strategic alliance, the Bank stands to gain immensely as it will be able to augment its retail business, thereby de-risking its business portfolio and ensuring increasing of other income/operating profit, NIM and substantial increase in CASA. The Bank has already recorded noticeable improvements in CASA ratio to 38% as on December 31, 2018.

To realize the full potentials arising out of these business synergies, a joint task force has been constituted, chaired by the senior management of IDBI Bank and LIC, to chart out the future roadmap, both for the Bank as also for the associate companies. Additionally, a Working Group, has been created to carry forward the initiatives identified for synergy and to effectively implement the decisions taken at the management level.

LIC and IDBI Bank continue to remain committed to serve the interest of all stakeholders.

### **All representatives of Print, Wire and Electronic Media.**

---

आईडीबीआई बैंक लिमिटेड • पंजीकृत कार्यालय. आईडीबीआई टॉवर, डब्ल्यूटीसी कॉम्प्लेक्स, कफ़ परेड, मुंबई 400 005.  
IDBI Bank Limited. Regd. Office: IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005.

सीआइएन/(CIN)L65190MH2004GOI148838

Visit us: [www.idbi.com](http://www.idbi.com) |  |  |  | 