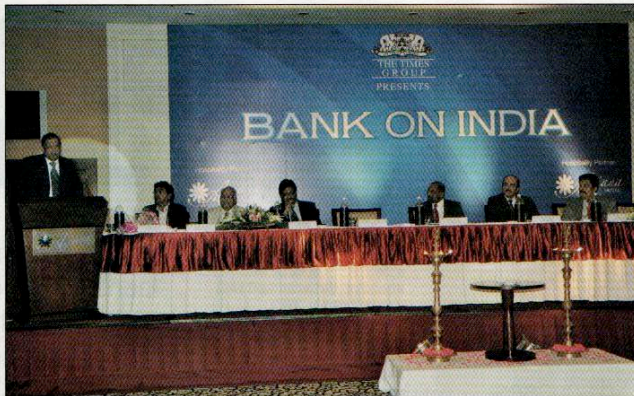


Bank On India

“The Times Group & Asiana Hotel Joint Event”

19th March 2009

Times of India Write Up



Indian Bank CMD, MS Sundara Rajan addressing the banking meet; TMB MD G Narayana Moorthy with S Alagurajan, (right) Director Asiana Hotels

Banks can stimulate the revival of real economy

If In recent years, the Old Mahabalipuram Road has become the symbol of the bustling IT industry in Chennai, for a change, last week, it became a banking corridor thanks to an initiative by the Times group.

Top bankers converged at the Asiana Hotels to discuss the state of the banking industry. The panel comprised Indian Bank CMD MS Sundara Rajan, State Bank of India (SBI) chief general manager, Chennai circle

J Chandrasekaran, Karur Vysya Bank MD, PT Kuppaswamy, Lakshmi Vilas Bank MD VS Reddy and Tamilnad Mercantile Bank MD G Narayana Moorthy.

The theme was "Bank on India", an effort aimed at infusing optimism about Indian banks and showcase the critical role they can play in pepping up a country that's feeling the heat of the global economic crisis.

Times Group's initiative and the right ambivalence and comfort created at Grand Ballroom by Asiana Hotels as the hospitality partner was appreciated by the bankers as

well as participants

Mr Sundara Rajan spoke about how innovation is key for the growth of the banking sector. "It is innovation and invention which leads to the application of new technology, economies of scale and introduction of multiple financial products.

Banking has transformed from a brick and mortar affair to click and mouse banking. We need to innovate to maintain interest in the bank scrips."

Chandrasekaran talked about the HR challenges of public sector banks in talent building and retention. He donned the hat of a consultant, using a McKinsey presentation to make the audience understand the need for better mentoring and people management among PSBs.

Kuppaswamy, asserted that abiding by the rulebook can actually hamper the process of revival and that regulations need to be customised as the environment changes.

"When the real economy is down,

industries are cutting back production and people are suffering with loss of jobs and income, it is the responsibility of banks to kick start and re-boot the economy," he said. Almost as if to show by example, he lighted a candle impromptu, as a sign of hope.

Reddy spoke on banks gearing up for Basel II norms for risk management and said that despite credit expansion, banks maintained adequate capital adequacy ratio (CAR). They are also keen to raise CAGR to 12% in order to have a comfortable level for managing credit, operational and market risks.

Narayana Moorthy said starting with limited levels of mechanisation and computerisation of back office and front office applications, Indian banks have a come long way to achieve total automation of branches, networking of branches and ATMs. RBI has also put in place an efficient payment and settlement system using advanced technology.

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