

Table Talk. On being the Dravid of banking

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Federal Bank chief Shyam Srinivasan wants the lender to be the most admired bank in India

By [CHITRA NARAYANANV SAJEEV KUMAR](#)



Shyam Srinivasan, MD & CEO, Federal Bank | Photo Credit: Visveswaran V

“Congratulations! You must be feeling delighted,” we compliment Federal Bank MD & CEO Shyam Srinivasan, as we meet him at the lobby of the Courtyard by Marriott near Kochi Airport. The regional bank — though Srinivasan gets offended when you term the private lender as regional, protesting that it has a pan-India footprint — has just posted excellent quarterly results, reporting 53 per cent growth in its standalone net profit (₹703.7 crore as opposed to ₹460.3 crore from the quarter a year ago). The asset quality has

improved as the non-performing assets (bad loans) fell to 2.46 per cent. So Srinivasan has reasons to be pleased.

But he shrugs it away. “For us, every day is a different taxi ride. The meter starts at zero every day,” he says, as we walk towards MoMo Cafe — the hotel’s restaurant where we are having lunch with the Aluva-based banker. The restaurant is wearing Rajasthani colours, as it is doing a pop-up of the desert state’s cuisine and the hotel’s senior staff, who greet Srinivasan familiarly — he is clearly a valued customer – urge us to try the *daal baati churma*, *missi roti* and *ker sangri*.



Food at Courtyard by Marriott

As we agree to it enthusiastically, Srinivasan nods agreeably. “Left to myself, I would have chosen the basic *daal* and *roti* – I have the most boring meal choices,” confesses the vegetarian.

[Chequered career](#)

As we settle down, we quiz him about how instead of working in India’s money capital Mumbai, he landed up in Kerala. His profile says he was born in Thiruvananthapuram, so is there a family connection? Srinivasan laughs heartily and says everybody sees that and assumes he is a Malayalee. “The first 40 days of my life was spent in Thiruvananthapuram by an accident of fate – otherwise I am an out and out Chennai boy,” he says with a boyish grin.

He grew up in T Nagar, studied in Padma Seshadri High School and then did his product engineering from NIT Trichy (erstwhile REC), returning to Chennai after the degree to work at Lucas TVS. And then the lad from a conservative Tamil family — his dad is an advocate

and mother a dentist — did an astounding thing. He quit the TVS group to become a shop sales person at Computer Point. “My parents were devastated.

For an engineering graduate, and a TAMILIAN, there can be nothing better than the TVS group, and they could not understand their son becoming a salesman at a shop,” he recalls. “In the mid-’80s, Computer Point was India’s first computer retail sales outlet — a classy air-conditioned showroom on GN Chetty Road in Chennai’s T Nagar area — but there was no denying that it was store salesman job,” he says with a grin.

But that was a temporary job — Srinivasan joined IIM Calcutta in 1985. “Who were your batch mates — are you in touch?” you ask. “I live with one and see her every day,” he says, with a mischievous grin, describing how he met his wife Maya at IIM. “She was the one everyone turned to for notes, explanations, everything — I really lucked out,” he says. Other batch mates include TV Narendran, the CEO & MD of Tata Steel; Vikram Sakhuja, Group CEO, Madison Media.

“Surprisingly, many in my batch are writers,” says Srinivasan, listing off journalist Sandeepan Deb, Mir Ali Raza (management professor in the US), TN Hari (Big Basket’s advisor and Artha School of Entrepreneurship founder), and Mohan Kancherla (management consultant).

Incidentally, Maya is the one who picked up a banking job after IIM — joining ICICI, while Srinivasan joined Wipro. “Though it was my mission to join Citibank”, he says. Within a year it happened — and he describes how Ashoke Dutt, then country head for Citi, called him for an interview at Chennai’s Shakti Towers. “He saw that I was captain of the cricket team in college and for some time we talked about the game, and that was all. Next thing I knew I was hired,” says Srinivasan. “I grew up thinking that cricket was everything and I have spent a large part of my sixty years following the game — though now I don’t play, only watch,” he says.

At Citigroup, he spent ten years, just two-and-a-half in India, seven in Dubai and a few months in Singapore. Then Stanchart hired him as head of the cards business in India, as it had just done the Grindlays merger. “I spent four years in India, then got transferred to Malaysia as country head and returned to India as country head,” he says.

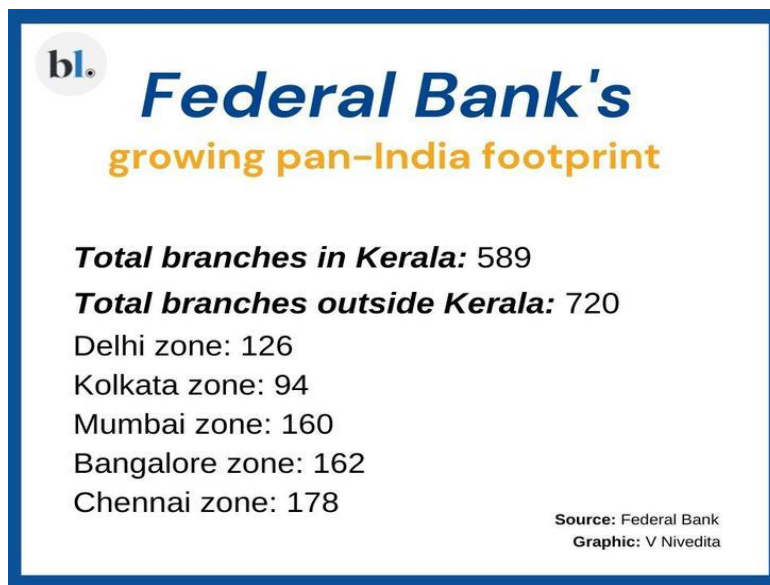
[Making a difference](#)

In 2010, at a time when Stanchart was looking to transfer Srinivasan to Hong Kong, headhunting firm Egon Zehnder called, saying Federal Bank wanted to talk to him. “I said why?” As he points out, the bank had till then only had Kerala-domiciled former central

bankers or retired bureaucrats helming it. “I was just 48 years old, non-Malayalee, and had never worked in an Indian bank — more than me, it was the bank taking a risk, I felt!”

But in 2009, Federal Bank was getting professional — one of the directors had overseas exposure and he convinced the others to make it a pan-India bank, and that was the brief given to Srinivasan. “I also wanted to stay in India and this was a CEO job, and there was the kick of building something special. Plus, although foreign banks give you access to a certain lifestyle, Maya and my needs were limited — we don’t have kids, and our lives were about making a difference,” he says. By then Maya was doing voluntary work.

That’s how in September 2010, the high profile banker joined the tiny Kerala-based lender which at that time had a total business of just ₹63,000 crore. Srinivasan has more than fulfilled his brief as at end September 2022, Federal Bank’s total business is ₹3,50,000 crore, and its footprint extends all over India. It has 589 branches in Kerala and 720 branches outside the state.



By now our food has arrived and tall, strapping Rajasthani chef, Bhik Singh, who has been specially flown in for the pop-up from Jaipur, teaches us how to eat the dishes the correct way — he breaks the *baati* (a hard wheat ball), pours *daal* over it and then serves an array of accompaniments — *mirchi ki chutney* et al — on the side. He finally tops the *daal baati* with dollops of hot ghee eliciting a pained yelp from Srinivasan. But the ghee is what makes the *daal baati* delicious, says the unrepentant chef, grinning widely. It is divine, one must admit. And, the *ker sangri*, *missi roti* and *gatte ki sabzi* transports us straight to Rajasthan, it’s so good.



Chef Bhik Singh

Right from the start, Srinivasan says, he was clear on one objective. “I wanted us to be the most admired bank in India. Admired by customers, shareholders, employees, and investors, alike and respected for its governance.” Federal Bank, says Srinivasan, closely tracks how each of these constituents regard it. Through Net Promoter Scores (NPS), customer experience is tracked (Nielsen does this). “The last four years, the NPS numbers have been doing very well,” he says.



As far as employees go, Federal Bank, he says, is the only bank from India which is in Asia's Great Place to Work top rankings. "This year we are also in the Great Place to Work for Women list," he says, pointing out how 46 per cent of the employees are women. Attempt is to get more women to bank with them too through a Mahila Mitra programme. In 2011, soon after he joined, Srinivasan also started Employees Stock Options.

"Right up to the sweeper, every employee has got options here so that even if he has a thousand shares, that's over ₹1.3 lakh (at current share price)," he points out. But Srinivasan himself does not take bonuses and has given back most of his options. "I have a philosophy of life — I don't like charity, I like sacrifice," says the banker.

On the institutional front, Srinivasan says, Federal Bank bats with extreme caution. "We don't take extraordinary risks. So consequently we may not have got great gains but on the other hand, we are building a bank that all stakeholders at all points of time can look back and say this is a bank, on which you can rely on for the long term," he says. "Look at our net NPA and gross NPAs — apart from Kotak and HDFC, nobody has our kind of scores, and not just now but over a long period," he adds.

"I am a great fan of Rahul Dravid — and Federal Bank is like him, absolutely sound, it will do nothing wrong," he says.

Digital to the fore

The other thing that has earned him accolades at Federal Bank is the digital transformation of the bank. Its mantra is "Digital at the fore, human at the core," he says. Be it apps or cool internet tools, the bank has been ahead of the curve on new age digital solutions. Srinivasan talks about the future of banking, where the need for physical documents will whittle down, speeding up banking processes further — we will have digital e-lockers storing customer documents and everything will be in the cloud, he says.



We skip desserts, and are surprised when the staff unobtrusively place some curd rice and pickle! Clearly, they know Srinivasan’s tastes and though replete, all of us jump at it with glee — curd rice does round off a meal nicely!

Of late, Federal Bank has also upped its marketing in a big way, with an active social media presence and many of its posts going viral, a lovely mogo (musical logo), and beautifully made emotional ad campaigns for Puja, Onam and Diwali. “Murthy our marketing guy is a dude. He is full of josh,” says Srinivasan. The Onam ad campaign targeted at the NRI returning for the festival back home especially created quite a stir. The campaign storyline was not surprising considering that NRI remittances are very big for the bank. “It is the highest for any Indian bank at 22 per cent,” says Srinivasan.

With great enthusiasm, he whips out his phone — it’s the latest beautiful Samsung Fold, you note! — and makes you listen to the musical logo, and shows the viral social media post of a robot coming to the Federal Bank branch to receive a loan.

A voracious reader, the elegantly dressed banker is also conscious about fitness — he ensures he gets 45 minutes of exercise daily — either a walk, or a gym session. Every Sunday, he pens a letter to his employees called Simply Put, the excerpts of which come on

the bank's LinkedIn page. Now, a compilation of all his Simply Put posts is available in a book form.

When he turned 60 this February, Srinivasan's tenure at the bank was extended till September 2024, though he points out as per RBI guidelines he can helm the bank for 15 years so till 2025, he is eligible to head it. What about successors? "By 2024, this will be a bank, everybody wants to work for — and the board can find ten better than Shyam," he says with assurance.

Will he stay put in Kerala, where he has built a lovely home in Aluva? Srinivasan says perhaps Chennai or Bengaluru is where he will retire — though he says Kerala has been very kind to him. "Only the rains have troubled us a bit," he says with classic understatement. The 2018 floods washed away the ground floor of his home, and it had to be rebuilt. It was a traumatic time as he and his family had to be rescued. "That's a story for another time," he says!