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Latent Demand Creates Scope for Many More HDFC Banks: Sashi Can be Iron Fist In Silk Glove









we came and started, ople were laughing at us. But the one thing we had was a belief that we could make this happen

NEW LEADERSHIP
Today, business is
done at the ground
level; the CEO is the
first among equals.
Sashi has a very stro
second line

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It's not my journey alone; it's the journey of one lakh people who have built the bank along with us. Everybody has to move forward; it's the footsteps that you leave behind. If people can talk about you with love and respect and they can be proud about what you jointly achieved, I think that's the biggest prize you can get. I would be lying if I would say I ever thought the bank would become so big. But after 3-4 years, we all thought we could do it. I have to say the biggest credit for I have to say the biggest credit for the first two years goes to my wife. I couldn't show the bank people I was having doubt so the brunt of the tension was borne by my wife. 'Shaam ko aakar kidhar rota tha, uske pass hir ota tha'. She would say complaining will not solve this, now the problem is aty our door you make a success out of it.

What is your view on the apex court hearing on the interest moratorium? I am very confused with the whole

case. Whether it's lack of coor-dination or judicial overreach. I am running a commercial organisation in this country. I have entered into a in this country. I have entered into a commercial contract with a company, You have to honour my contract. They can have their discussions with the government but you need to remember that I have a commercial contract in a democratic country. And if you don't pay me interest, how do I pay depositors? If somebody says don't pay the interest, then you have to compensate me. This is not the best situation for credit discipline. Why did I release proforma NPAs, because I didn't want to give a

misleading picture just because you tell me not to declare NPAs. I have to give the shareholders the correct picture; if a company is an NPA, I have to say that.

There is some criticism that the government is not spending enough... Just because you put money in someone's pocket doesn't mean he will spend. You have to feel secure about your future. If people are saying spending hasn't happened, they should look at MSMEs where almost e2's labit crore of loans have been disbursed. Through this lending ichs will her created which will ing, jobs will be created which will create demand. The government has spent a lot of money in semi-urban and rural India; that is why you have demand there. Can there be more spending? Yes, but the government is facing issues on the revenue side. It has said it does not want to ex-It has said it does not want to exhaust all ammunition in one go. With states borrowingmore, lexpect more infrastructure demand. Just beating up the government is not the solution. Corporate bax was cut by 25%, did anyone pass on the benefit? 'Hazam kar diya sab. If government cut rates on 657 do you think that will be passed on? Many people cy hoarse but a clear mechanism is required, instead of passing on freebies investment has to be made in infrastructure. in infrastructure.

Non-bank lenders have a constant Non-bank lenders have a constant grouse that they are starved of funding from the banking system. Why this risk aversion? Do you think lam in the banking business to have deposits lying idle? Or am lin the business to lend? But will I lend to somebody who lam

not sure will give me my money back? I would advise that these firms have to run properly and banks should not be blamed for it. My job is not to lend to unworthy credit. There is a difference between risk management and risk aversion. There is no risk aversion in the system. If the finance companies went overboard with their growth they had NPAS, they mismanaged their ALMs and consequently they ran into difficulty, I would say you solvey our problem. HDB, which is our NBFC, has no problem in getting money. not sure will give me my money

Industry associations say the

government needs to give a push... We have to stop this syndrome that if we cry, the government will give us concessions. You don't need government concessions. There is enough demand; so work on your efficiency. I was at a function where emiceity. I was at a bircular where some government officials were also present, they asked me what do you want from the Centre? I said nothing (just) let me function. If I need any thing, I will come to you. There is tremendous latent demand in the system.

The bankruptcy law is blamed for a lot of Corporate India's Ills. Does it need amendments?

The problem is execution. Do we need a bankruptcy law that functions like Chapter 11 in the US? Absolutely. We need to make more progress where its working should bevery simple. If a firm is going through difficulties, you system-atically look at what part of the aucany fook atwhat part of the business is saleable. But there are complex issues here – five to six people are suing that delays the process. Since the majority of the banks have more than 70% provi-sion coverage, we should have a systematic solution to the bad-loan problems.