Mr. Raj Singh
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Team Dimensions: To start with, we would like to take you back to your days at SDMIMD. Can you share with us a few of your best memories at SDMIMD?

Mr. Raj Singh: Having Maggi in Nescafe on Saturdays with my friend was one of the best memories I have. Of course, the other being all the times we got together and used to visit a lot of places in a team; not only participating but also being part of the organizing committee; interacting with people from other countries and interacting with industry stalwarts like Mr. Mohandas Pai from Infosys… these were some of my memories from SDMIMD.

Team Dimensions: Can you throw some light on risk management from the Indian perspective?

Mr. Raj Singh: India is far better off in risk management in process and framework. Unlike Sweden and Greece, India remains unaffected because we are able to gauge the nature of portfolio of the environment that we are working into. Even the regulator has prescribed stringent regulations when compared to other countries.

Team Dimensions: With digitization in the core banking countries what do u think are the recent trends you are seeing as an organization in risk management?

Mr. Raj Singh: Risk management plays a role in each and every way. There is always a risk associated with new technology. The risk is in the volume that it will deliver. There is a need to manage the operation risk here. We may not face a great risk immediately. The bank needs to have a proper operation risk framework.

Team Dimensions: Can Traditional banks keep up with the pace of growing technology keeping in mind the recent disruptors like Paytm?

Mr. Raj Singh: By bringing in Paytm, I don’t think it will have an impact because their scope is restricted. The other banks are operating with the objective of deposit and lending. But, maybe when the regulation changes then it may have an effect. The Government wants consolidation of the banking industry to ensure cost is minimised and efficiency is maximised, and that product offering is increased. I don’t see an immediate impact on Banks, but in the future, the private banks may be affected but not the public banks.

Team Dimensions: With NPA of around 63000 crores of SBI what is your take on this scenario with regard to NPA in banking sector globally?

Mr Raj Singh: The government has asked the finance ministry to write off and have enough provisions for bad loans. There is a rigid framework coming in terms of credit availability looking at various crisis we have suffered. Bank wants to clean up their balance sheets so that is why they are doing provisions and in the future NPA will be well maintained with strict adherence to the regulations. The loan will be sanctioned on the drivers that affect the individual in payment of the loans.

Team Dimensions: With the merger of SBI with its associated banks what do you think would be its impact on risk management?

Mr. Raj Singh: When we say associate banks the nature in terms of management of risks is in line with SBI. When associate banks get merged they are one. Of course, there will be efficiency in terms of cost and there will be a consistent framework. They all have different capital adequacy ratio and when they merge their capitals also get merged. Balance sheets also get merged. Risk may reduce, Capital requirement may also reduce.

Team Dimensions: What is your success mantra?

Mr. Raj Singh: Success mantra is to stay focussed. Try to see opportunity in all adverse situations. For you to be really successful you should establish principles in your life and follow it. There is no problem in life, it is just a situation and it doesn't last for long.
