

## A Tribute to Indian Bank

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The need for an Indian bank was felt after many citizens lost their money deposited in the failed Arbuthnot & Co. Indian Bank, a result of the collective effort of the prominent individuals of the then Madras was incorporated on 5<sup>th</sup> March 1907 and commenced operation on 15<sup>th</sup> August 1907. It was destiny that the nation got independence on the day on which Indian Bank commenced its operation.

In the 108 years of its existence, the bank made rapid strides in terms of business which can be seen from the table below :

(Amount Rs in crores)

Year	Capital	Reserves	Branches	Deposits	Advances	Nett Profit	Balance Sheet Size
1907	0.08	0	1	0.02	0.07	0.001	0.10
1969	0.89	1.17	282	89.66	71.70	0.02	113.94
2014-15	480.29	12077.45	2412	169225.00	128832.00	1005.17	385672

The bank when compared to 12 peer banks' average financial parameters (based on results published upto 12/05/2015) has higher Capital Adequacy Ratio (CAR), Return on Assets (ROA), and Net profit to business over these banks. The bank's gross NPA and net NPA were less than the average of the 12 peer banks. The bank equalled the Operating Profit to Business ratio of 12 peer banks.

The phenomenal growth of the Bank can be attributed to :

- 1. Founders :** The founders with a far sighted approach floated the bank to meet the financial needs of the citizens of Madras which over a period of time spread across the country and ventured overseas also.
- 2. Board of Directors :** Prominent personalities as Board of Directors steered the Bank since inception.
- 3. Government of India :** By nationalising the banks in 1969, the Government of India catalysed the growth of the Bank to reach the present balance sheet size. Also the government at different points of time infused capital into the bank to meet the capital adequacy requirements.
- 4. Chief Executives of the Bank :** The Secretaries (equivalent to the Chief Executive) and the successive Chairman & Managing Directors of the Bank who strived for the business growth of the Bank and meeting the financial parameters set by the promoters prior to nationalisation and Government of India in the post nationalisation period
- 5. Top Management of the Bank :** Evolved the policies, systems and procedures for conduct of business and ensuring that deviations are corrected.
- 6. Field Level Functionaries :** The Zonal / Regional Heads assisted by the Officers / award staff striving for reaching the performance set by the top management.
- 7. Officers Association and Staff Unions :** While fighting for their rights, the various leaders heading the Association and Unions supported the Bank in meeting the objectives of the Bank.

FIBRE comprises members who took an active role in the bank achieving this status. As the bank grew in stature, the Bank produced many officers who have gained expertise in Banking who went on to head our bank and other Banks also. Home grown officers viz Mr M Gopalakrishnan and Mr M B N Rao went on to become Executive Director and Chairman and Managing Director of Indian Bank. (Mr M B N Rao later became the CMD of Canara Bank) . (Late) Mr M Vallinayagam and (late) Mr A Sankaralingam went on to become the Executive Directors of the Bank

Other Officers who occupied the top position in PSBs as well as Private Sector Banks / Institutions are as below :

1. Mr. **K Subramanian**, Executive Director / Chairman & Managing Director, Indian Overseas Bank
2. (Late) Mr. **T P Karunanandan**, Executive Director, Bank of India
3. Mr. **N P Mohanram**, Chairman, Catholic Syrian Bank Ltd
4. Mr. **AR Nagappan**, Executive Director, Indian Overseas Bank
5. Mr. **Cherian Verghese**, Executive Director, Central Bank of India / Chairman and Managing Director, Corporation Bank / Union Bank of India.
6. Mr. **T Valliappan**, Executive Director, Vijaya Bank
7. Mr. **G R Sundaravadivelu**, Executive Director, United Bank of India
8. Mr. **V Santhanaraman**, Executive Director, Bank of Baroda
9. Mr. **Jag Mohan Garg**, Executive Director, Punjab National Bank, Chairman & Managing Director, Corporation Bank
10. Mr. **R Ramachandran**, Executive Director, Syndicate Bank, Chairman & Managing Director, Andhra Bank
11. Mr. **Malay Mukherjee**, Executive Director, Central Bank of India, MD & CEO, IFCI Ltd
12. Mr. **K B Nagendra Murthy**, MD & CEO, Tamilnad Mercantile Bank Ltd
13. Mr. **T M K Reddy**, C.E.O., State Bank of Mauritius

(All the above officers have retired with the exception of Mr Malay Mukherjee serving as MD & CEO of IFCI Ltd)

Majority of the Officers who joined the Bank were from middle class families and they got exposed to different cultures prevalent in the places they served, the challenges in different work environment offered to them which made them to gain banking skills. Their social status improved and there was a change of perspective. The children of the officers too were exposed to different environment when they moved with their parents and developed a cosmopolitan outlook. They became proficient in the local languages and also became aware of various careers that are in front of them.

While collecting the personal data of members for the members directory, it was observed that the children of many of the FIBRE members are occupying important posts in software industry, banking & financial services within the country and abroad. Many have pursued / pursuing Engineering, higher studies in Engineering abroad, Chartered Accountancy and some of them have become entrepreneurs.

Not only the bank benefited by the Officers who served / serving the bank at different points of time, the Officers and their family also achieved status in the society by virtue of their serving the Bank.

The members of FIBRE are ever grateful to the Grand Old Lady of North Beach Road for shaping their career and giving the social status and wish the Gen Next to take the Bank to greater heights in the years to come.