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CORNER OFFICE

"We need to shift to equity, MFs from gold & realty"

AJAY SRINIVASAN

CEO, FIN SERVICES | ADITYA BIRLA GROUP

Career | Started with ICICI before moving to ITC Threadneedle MF; joined ICICI Pru MF as MD in 1998; moved to Hong Kong to lead Prudential's Asia biz in 2001; returned to India in 2007 in current position

Achievements | Grew ICICI-Pru MF's assets about 11-fold in two years; led Prudential Asia to grow its assets about 14 times in seven years

Partha Sinha

Building businesses from scratch is a passion for Ajay Srinivasan. And he has always found support to pursue it in his professional life spanning over two decades. But the one achievement that the head of Aditya Birla Group's financial services business fondly remembers is from his other passion — cricket.

On September 12, 2011, Srinivasan played in a corporate cricket match at Lord's, a dream that even professional cricketers cherish. And if you are in his 18th floor office at central Mumbai's One Indiabulls Centre, invariably his eyes will roll towards the group photo taken at the hallowed greens on that September afternoon.

Like many liberalization boomers, Srinivasan started his professional career just when the P V Narasimha Rao-Manmohan Singh-led economic reforms were unleashed in 1991. For a financial services professional, he was lucky to have begun then.

After finishing his MBA from IIM-Ahmedabad, he worked with the then ICICI for four years and before moving to ITC just when the company entered the financial services business and wanted to make it big. In 1998, he shifted to ICICI Prudential MF as its managing director. There, backed by the then ICICI Bank chief K V Kamath, within two years he grew the fund house's assets 11-fold and made it one of the largest in the sector in India. In 2001, Srinivasan was shifted to Hong Kong to head Prudential's business in Asia, spread across 10 countries. From a corpus of about $4-5 billion when he joined, in a little over six years he grew it to about $70 billion.

Srinivasan returned to India in July 2007 to head the financial services business of Aditya Birla Group, and currently manages close to Rs 1 lakh crore worth of assets spread across life insurance, mutual fund, NBFC, private equity, broking, wealth management and a few other verticals.

Srinivasan draws life's inspirations from people who built institutions, with Apple's Steve Jobs topping the list. And no wonder, the iPad is his third passion now and has become an integral part of his life.

Identifying the scale of an opportunity, the ability to make an impact and the quest for excellence are the main drivers in his life. Given India's young demographic profile, Srinivasan believes that there is a huge challenge and also opportunity in growing the country's underdeveloped pension sector that will cater to the retirement needs of a young workforce when it grows old. "Credit cards, distribution of financial services, customer loyalty programme, reaching out to customers by leveraging the technology channels are some of the other opportunities," he said.

A lot of changes have taken place in financial services since Srinivasan started out, but he is quick to point out the areas that have not changed. "We have not moved much from physical savings to financial savings, and it has to change. From gold and house (real estate), we need to shift to equity, mutual funds, insurance, etc," he said. That's when the financial services companies will multiply revenues and Srinivasan has his eyes fixated on those opportunities.

The economics graduate from Delhi's St Stephen's College is a keen economy watcher. He believes that the current slowdown is just a temporary phenomenon, and not a structural change. "Since the underlying fundamentals are strong, once the sentiment starts improving, we should expect a resumption of growth," Srinivasan said. It may not be immediate though. "High inflation and interest rates have impacted consumption, and have affected investments. And given the high fiscal deficit, there is not that much room for interest rates to fall in a hurry," he said.