



TECH & DIGITAL LANDSCAPE

May 2022



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Digital Ecosystem @HDFC Bank

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Digital Banking – Key Shifts

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Investing in Core Tech Transformation

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Enterprise Factory: Re-architecting Core Technology

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Customer Delight! Across Segments...

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Customer Experience Re-imagined!

 6,300+ Branches	 18,100+ ATMs	 3,100+ cities/towns	 7.1cr Customers
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One consistent digital experience



Over **57 cr credit card** and nearly **48 cr debit card** transactions in FY 21-22.



Number of Digital transactions in FY21-22 (645 cr) **3X of that in FY 18-19** (210 cr)



93% of all transactions in the bank are **digital**



Mobile Banking

- Monthly active users as of Mar'22 grow 40% vs Mar'21
- Financial transactions up by 51%



Internet Banking

- Monthly active users as of Mar'22 grow 20% vs Mar'21
- Financial transactions up by 32%
- 76% of Fixed Deposits booked online.



EPI 16 cr and **POS** 130 cr Transactions in FY 21-22

UPI

- 45 cr bank customer transactions per month
- Doubled in the last 12 months..



E-Commerce Card Volumes on Payment Gateway:

- 1.75x growth in 3 years
- Avg value of Rs.40.5k Cr per month (Feb-Apr'22)
- Projected growth of 25% in 12 months (Mar'23 over Mar'22)



Onboarding Forms

Digital Unassisted Acquisitions

- Credit Cards up by 84%*
- Personal Loan and Business Loans up by 71%#

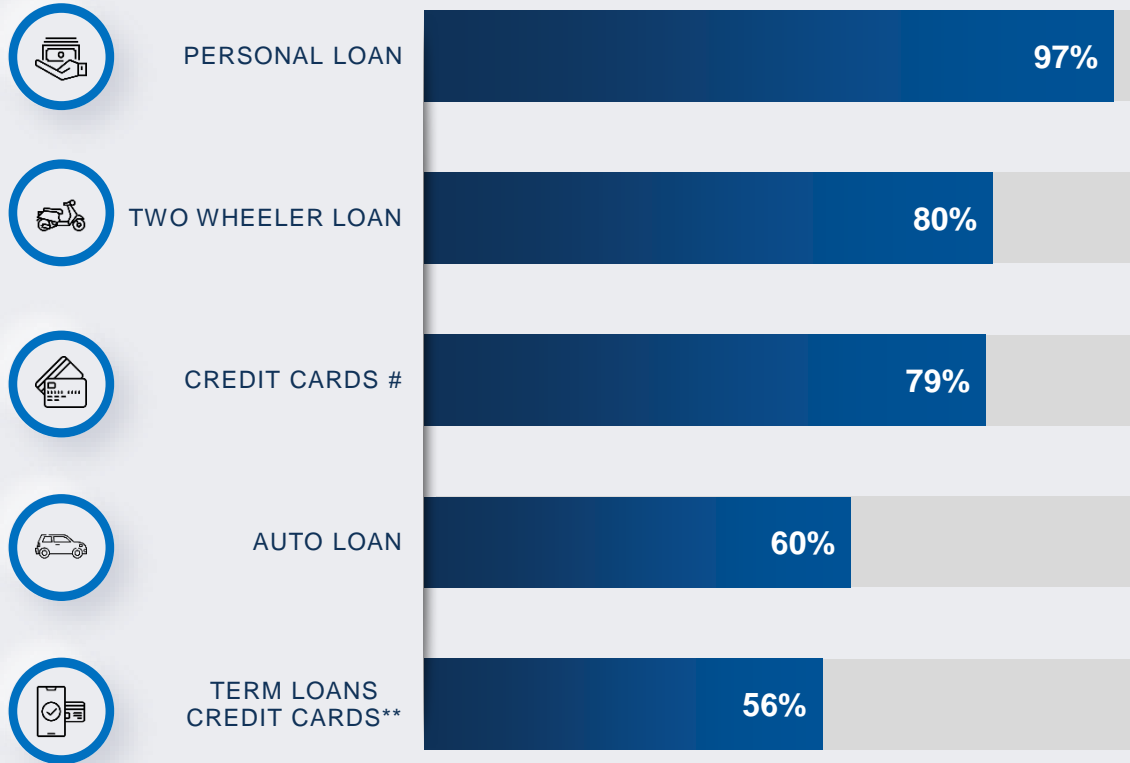
** 3-Month Average before Revamp*
6-month Average before Revamp



Corporate Banking

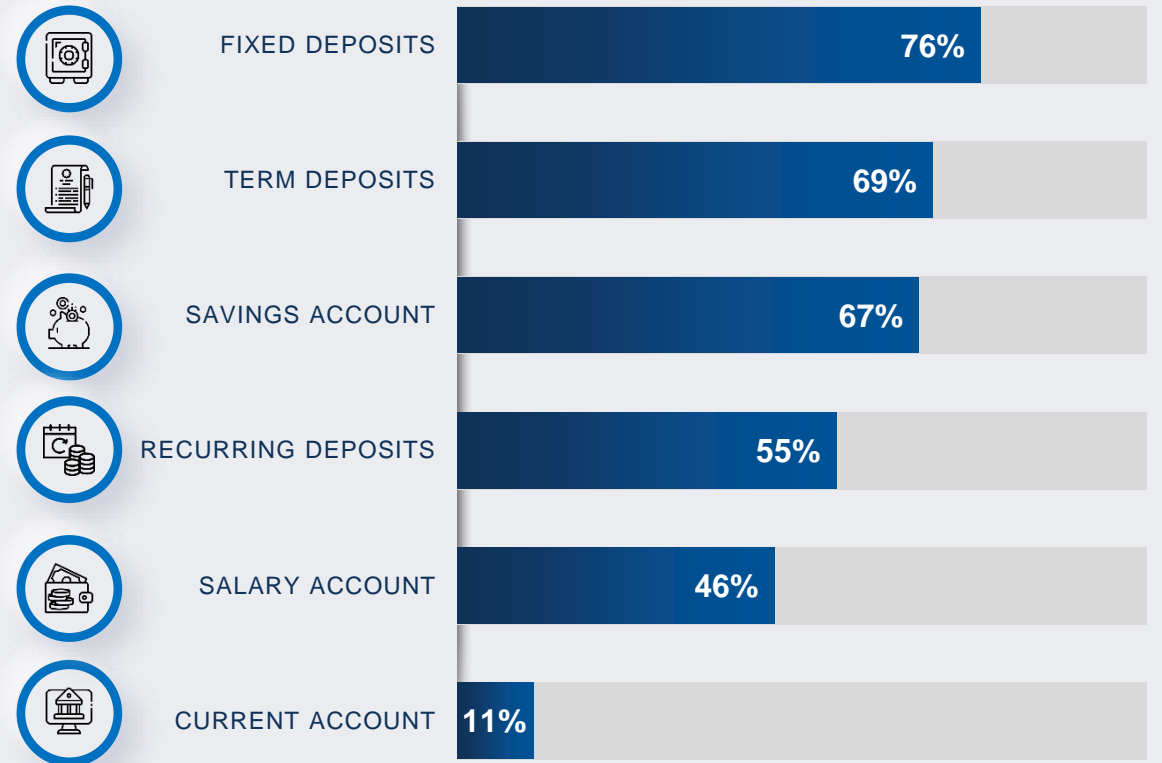
- Large Corporates: Avg. of 3.32 cr transactions per month
- MSMEs: Avg. of 49.2 Lakh transactions per month

DIGITALLY SOURCED RETAIL ASSETS



Figures as of YTD Mar '22
 # FY 21-22; Dec '20 to Mar '21 embargo
 ** Excluding CC - EMI

DIGITALLY SOURCED LIABILITIES



Figures as of YTD Mar '22

What differentiates us?



Scale: Delivering technology at global scale



Mix: Assisted and Unassisted; Urban and Rural



Technology: New tech supporting scale, security and experience

Drivers



Geography



Diversity



Metro vs Rural



DBUs

93% of the Bank's transactions are processed digitally

Technology & Infrastructure demands mirror the growth story



7X

UPI switch volumes over 3 years, now averaging 4 cr transactions per day



3X

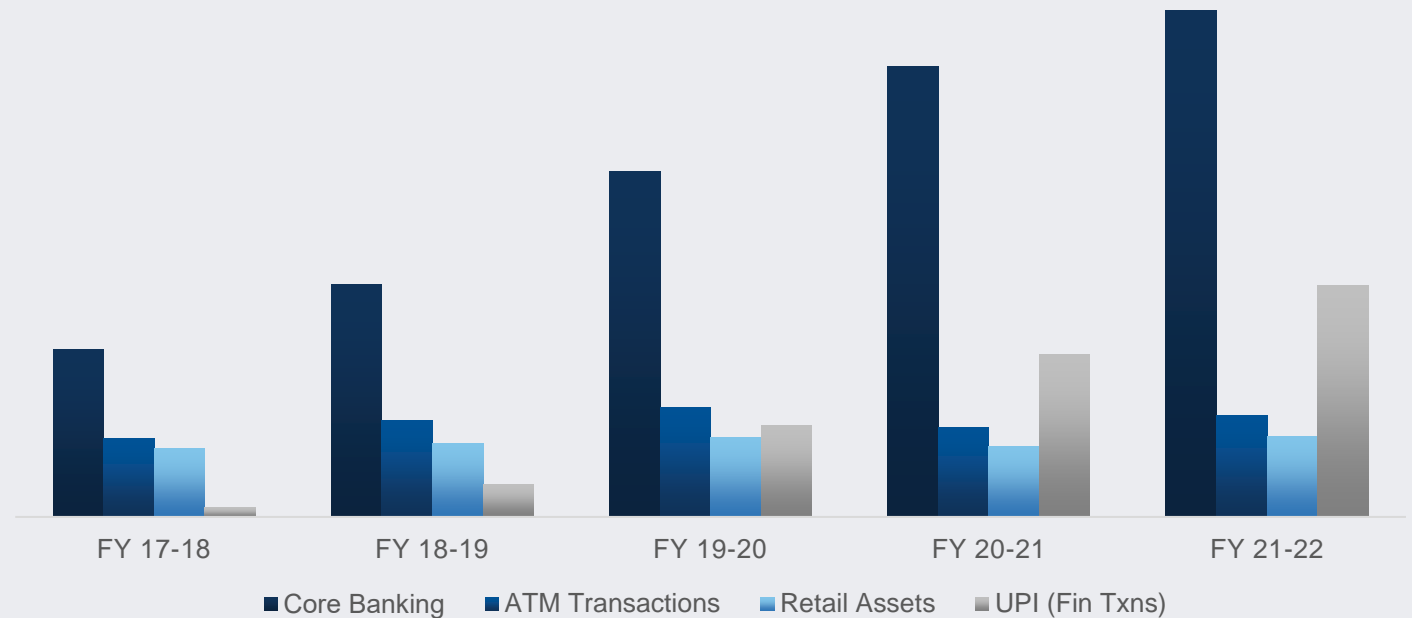
Growth in Core Banking transaction volumes



444 Cr

ATM Switch transactions in FY 21-22

Transaction Volumes Trend



1,400

Number of internal APIs published increased by 50% plus over last 2 years



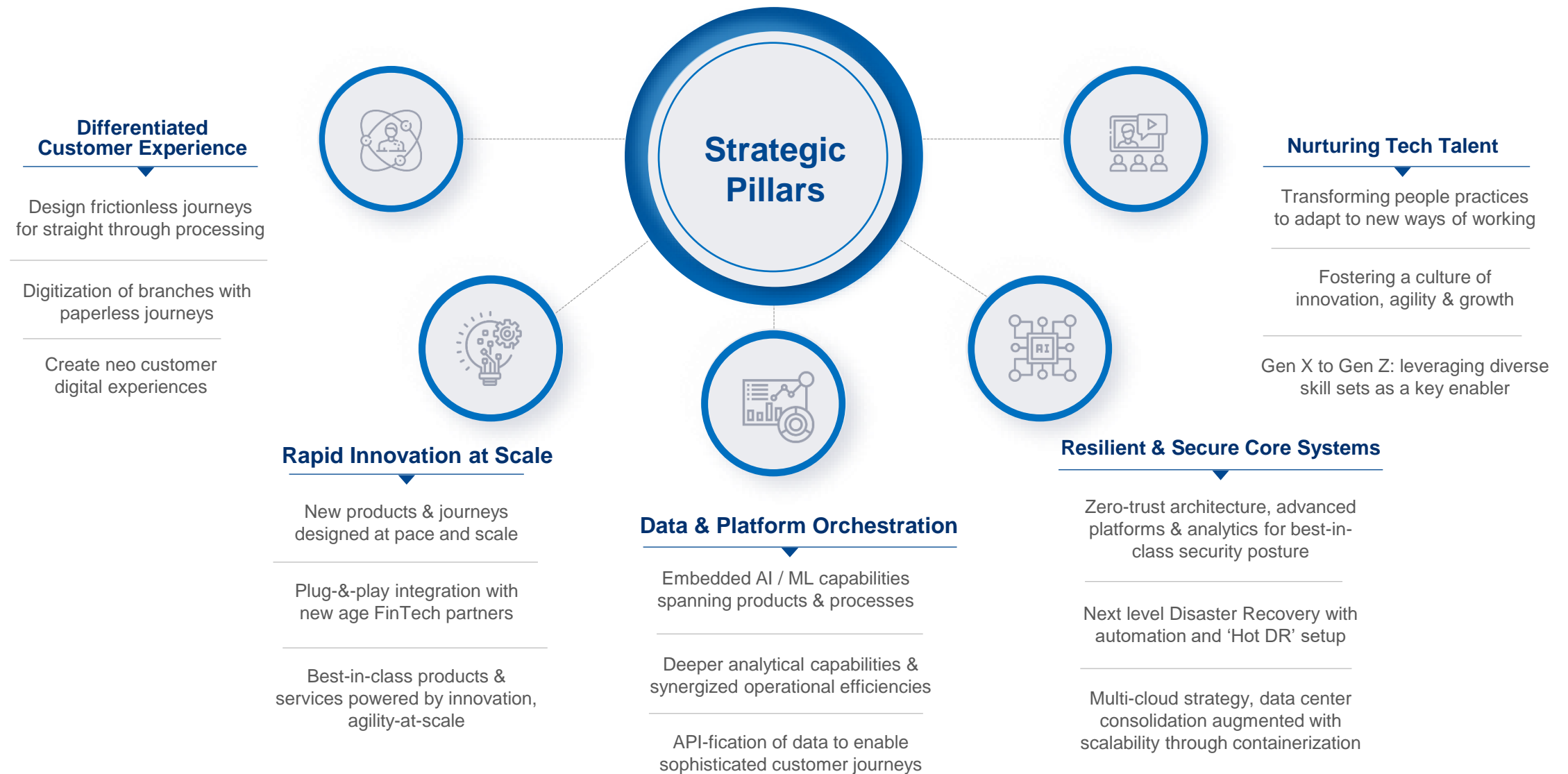
70% +

growth in published partner APIs in the last 2 years



90,000

Concurrency Capacity on Net & Mobile Banking.
Recorded peak utilization: 60,416





Strengthening Tech Foundations



Cloudification Journey

Implementation of a Hybrid Cloud Landing Zone



API Transformation program

API gateway (APIGEE & OBP Middleware)
Enhanced API orchestration



Infrastructure, Security & Resilience



Data Centre Migration

State of the art, new age facilities in Bengaluru & Mumbai



AIML based Security and Monitoring

Tools for the application and network ecosystem



Deep Automation

in DR resiliency and orchestration to reduce RTO



Refactoring key applications into an **'Active-Active' design**



Tech for Tech



Testing Automation

Better efficiency and quality
Partnerships with RPA providers (like UiPath) and new age companies (like Headspin)



Unified IT Service management platform through ServiceNow



Low code / no code development

For improved consistency and standardization
Through new age platforms like Microsoft PowerApps & ServiceNow

Enterprise Factory: Re-architecting Core Technology



Co-creating owned IP



Deep Tech Skills



Moving beyond digitizing existing ecosystem



Powered by partnerships – Cutting edge startups to Big Tech (AeroSpike, YugaByte, Kafka, Temporal...)



Hollowing the Core



Mobile Banking app rewrite



Payments Hub

Adaptive and Unified Payments control Plane across multiple payments channels

Extract out of legacy core -> core 'hollowing' & stabilization



Enterprise CIF

Pluggable and extensible enterprise customer master

Single version of truth

Secure storage of PII



Re-designing and Digitizing User Journeys

Origination, servicing, transaction workflows



Focus on

Security, Journey simplification, UI / UX refresh

Development underway

Goals / Design Principles



Security



In-house capability
Better customer experience
Faster time to market



Horizontal Scalability



Always ON
Active-Active architecture



Cloud Agnostic



Neo technology stack / neo partnerships

Customer Delight! Across Segments...

Retail Customers

Day to day banking, made simpler

Simplifying customer journeys

Deep insights through data APIfication and AI ML

Focus on assisted and unassisted journeys

Unified payments experience across UPI and other association rails (credit/debit)

Enhancing customer experience across touchpoints

MSME

Transforming commercial banking for India's entrepreneurs, Micro, Small & Medium Enterprises

Leverage the supply chain ecosystem

Native journeys for local markets

360 degree view for proprietor and retail intersection

Corporate

Seamless banking services for large corporates, mimicking retail experiences

Deepen the ERP embedding

Digitizing Trade

Integrate with open market credit ecosystem

Wealth

Investments Simplified!

Deeper customer Analytics

Self service capabilities

Digital enablement

Enhanced Wealth RM capability through data analytics

Rural Banking & Govt. Initiatives

Fueling the Digital Bharat growth story with a local touch!

Focusing on assisted journeys

Multilingual capabilities

Deepening of digital distribution points

With Re-imagined Customer Service at the Forefront!

Now & Coming Up: In 4 Quarters

Acquisitions

- Xpress Car Loans
- Onboarding Forms with suite of personal loan offerings
- Fastag
- Digital Credit Cards
- Co-branded cards with embedded API capabilities; e.g.: PineLabs & PayTM
- Smart & Insta Account Opening

- Ecosystem APIs for supply chain integration – HUL & Dukandar
- Loan Origination & Management Transformation
- Merchant Onboarding System

- Corporate Banking: Phased Platform Transformation
- APIfication of Corporate transactions

- Wealth App

- API ecosystem for digital DSAs & business correspondents
- CSC VLEs
- New Pension Platform
- MyApps

Retail Customers

- Mobile Banking (Enhancements & Re-write)
- Internet Banking Upgrade
- Customer Experience Hub
- Payzapp 2.0
- EVA Chatbot – Integrated with Alexa and Google Assistant
- PWA

MSME

- BizXpress: Digital portal platform for MSME customers
- Smart Hub Vyapaar Merchant Ecosystem

Corporate

- Tradeflow: Digitization of trade processing platform

Wealth

- Wealth Management System (Domestic & Overseas)

Rural Banking & Govt. Initiatives

- Retail Assets Re-architecture: Refresh of complete suite of SLI products
- E-Kisaan Dhan App
- India's First Warehouse Commodity Finance App

Servicing

Potential & Opportunities

3rd largest auto-market in next 5 years, witnessing sale of **35mn+** new vehicles

90% of all car buying journeys begin online (compared to 74% in 2016) but <2% converted online

50%+ of incremental sales growth likely to come from Semi-Urban/Rural compared to **30%** in 2018

Xpress Car Loans Highlights

Paperless with Minimal Fields

Seamless journey leading to quick offer generation online

Faster Approval & Digital Disbursal

e2e disbursalment with video KYC in Phase 1

Omni-channel

Available across touchpoints – physical (branches & dealerships) and digital (Bank app, website & aggregators)

Customer-centric Experience

Choose “any car, any dealer, any time”

Market Disruptions

End to end digital lending journey from present paper-based journey, catering to both ETB & NTB customers – first scheduled bank to do so in India

Seamless loans across geographies, expanding reach to semi-urban and rural buyers

Anytime-anywhere digital auto loans with seamless connectivity to multiple platforms



100%

offers in <1 min

60%

approvals < 5 mins

<30mins

Taken in disbursals

FY'23: INR 15,000+ Cr

disbursements expected

Witness the journey **here**



Microservices based architecture



API First



Cloud Ready

Zero Touch Onboarding... made possible

Customer Benefits:

New form design for improved user experience

Modernized experience by allowing customer to access content across channels and devices



Business Enablers:

Faster time to market for digital offerings

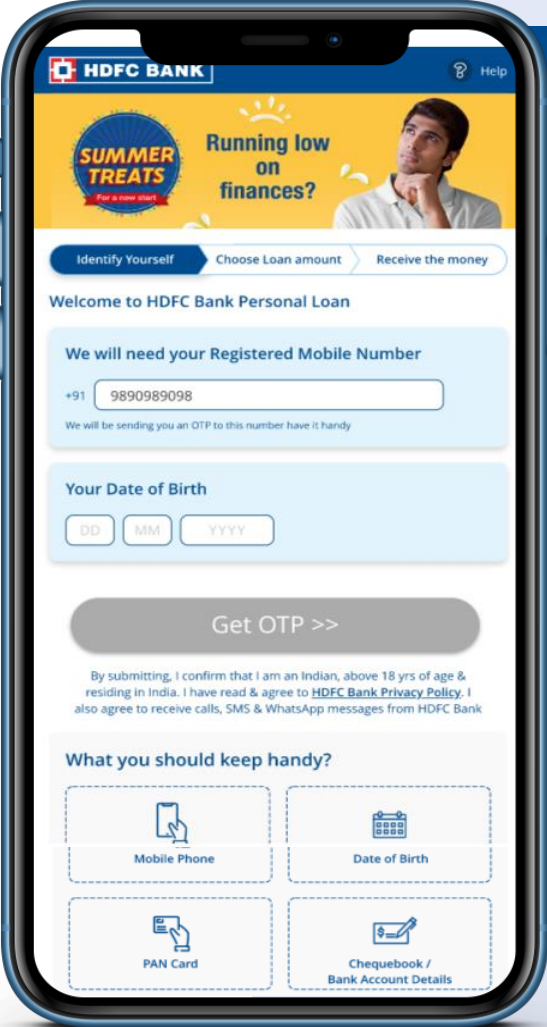
Tracking customer drop offs and ability provide a digital nudge customers to resume incomplete journeys



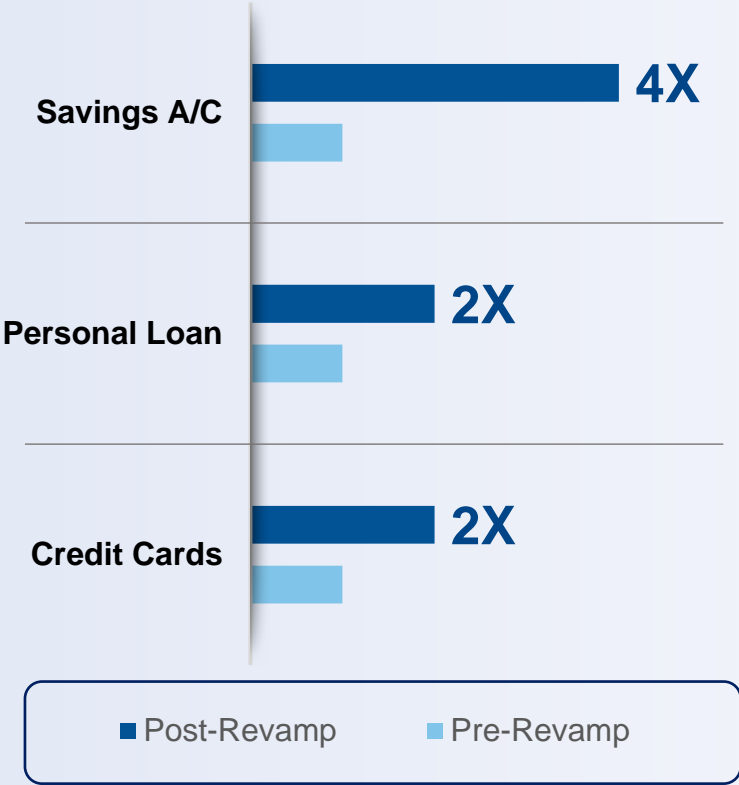
Tech Foundations:

A Single Digital Forms Platform

Born in cloud, Hosted in AWS



Acquisitions made simpler, faster



PayZapp: convenience, safety and rewards in one neo tech powered app...



Customer Benefits:

- Superior payments experience
- Unified Rewards and Offers
- Enhanced Security Features



Business Enablers:

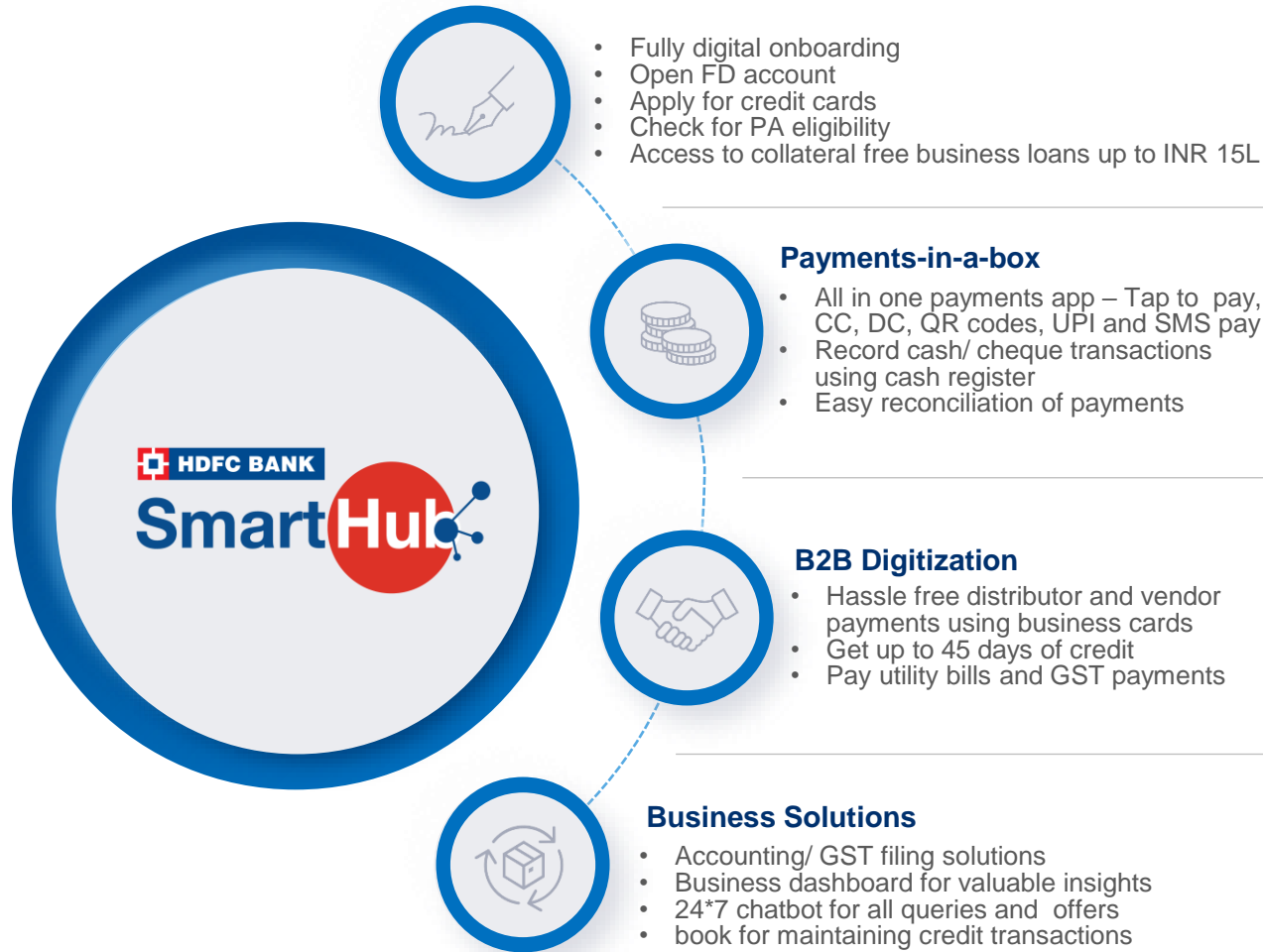
- Seamless Onboarding
- Intelligent Insights
- Unmatched Reliability



Tech Foundations:

- Fintech partnership
- Cloud Ready - Hosted on AWS
- Microservices based Tech stack
- API First Strategy

Engaging the merchant ecosystem with SmartHub



	>4X customer transaction volume		4.3 Play store rating
	60%+ app transaction Volume		1.5X Activation rate achieved
	4.45 Lakh Merchants on the app		1.5X Current Account Balances



Neo tech stack (Yugabyte database)



Partnership with new age Fintech



Hosted on AWS Cloud

Great
Place
To
Work[®]

Certified
MAY 2021–MAY 2022
INDIA[™]

THE
FUTURE
IS DIGITAL

