

Government & Institutional Business



Key focus areas





Central Government, State Government and Local Bodies including Panchayats



Institutions

Education, Trust,
NGO's, Residential Societies,
Religious bodies, Healthcare,
Clubs, Associations

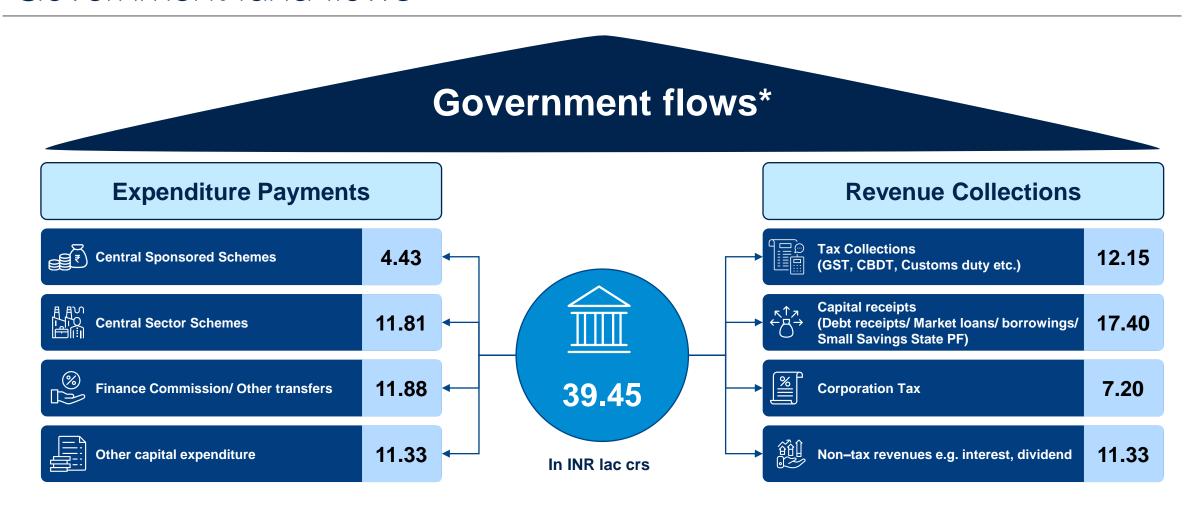


Alternate Banking Channels and Partnerships

Increasing distribution reach with larger focus on Semi urban and Rural



Government fund flows



* Union Budget FY 22-23



Highlights of the Government business

Areas of dominance

- Leading bank in managing Government fund flows
- Single Nodal Agency (New construct introduced in September 2021 by Government of India).
- Coveted position in Public Financial Management System (PFMS)

Government Agency Business

- Leading Bank in direct tax collections (CBDT).
- Key participating bank for other tax collections such as GST and Customs duty.

Central Government Opportunities

New mandates secured – Target to achieve 15% market share in identified opportunity in next 2 years.

Pension Payments
Opportunity: 1.89 Lakh Crs

E-NAM Collection
Opportunity: 1.50 Lakh Crs

E-freight
Opportunity: 1.25 Lakh Crs

Accreditation Bank 52 Ministries

State Government Opportunities

Focus on key states that have high budget allocation for state sponsored government schemes.



Source: www.india.gov.in | www.indiabudget.gov.in



Our value proposition

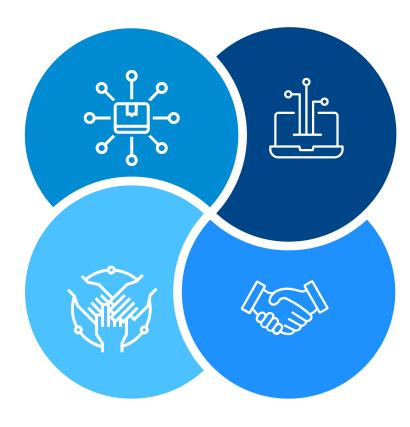
Distribution

- Bank Branch
- Alternate & Digital Banking Channels/Partnerships

Collaboration with SLI/ CSR

- Leveraging performance of SLI / CSR of the Bank
- Leveraging the marketing initiatives





Technology

 HDFC Bank CollectNow: Robust solutions for Collections and Payouts PG, eNET, eCMS,CMS, UPI ACH payments



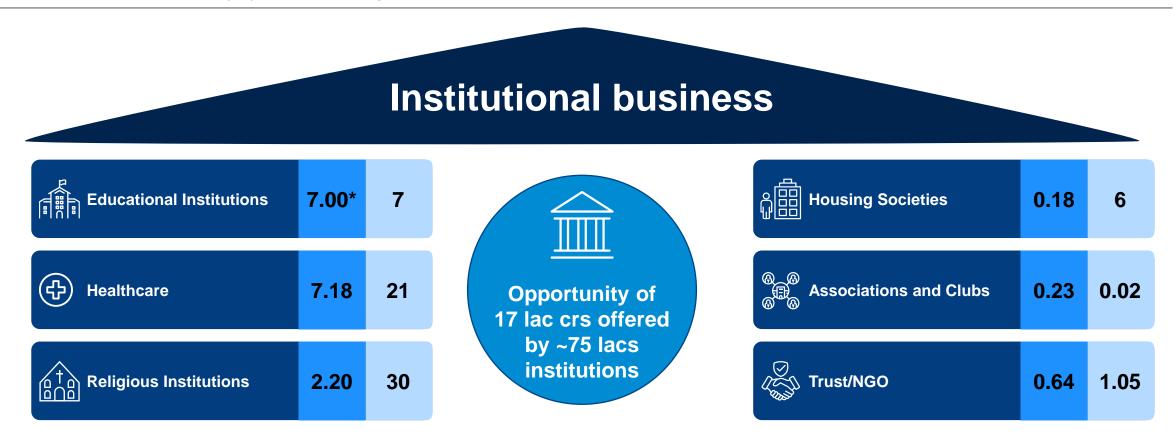
Partners & Solution Delivery

- Technology Partners
 Zero solution procurement process
 and cost for customers: Bank
 facilitates solutions
- Plug & Play Solutions
- Custom/Bespoke Solutions





Institutional opportunity



*Excludes 6.32 lac crs of Government allocation for education

Source: Education & Religion-IBEF report 21, Healthcare - Mckinsey & Co, NGO-Bain & Co, DASRA, Clubs - imarcgroup.com and healthclubmanagment.co.uk



Education: Approach to drive growth

- 16 lac schools attended by 24.7 crs students; (70% are Government aided); 150 Education Boards
- 40K colleges and 1000 Universities attended by 3.8 crs students (64% are private)

Leveraging Various Digital Solutions

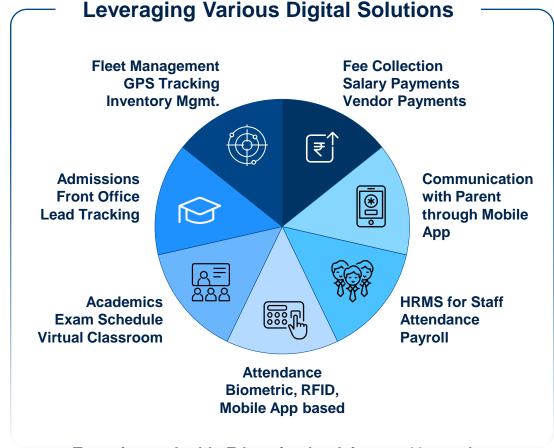


Attendance
Management

End-to-End digital solutions e.g. fee collection

Partnerships with Ed-Techs

Financial Awareness



Targeting to double Education book in next 12 months

Source: Education report – IBEF report 21



Reltech – The new mantra across religious institutions

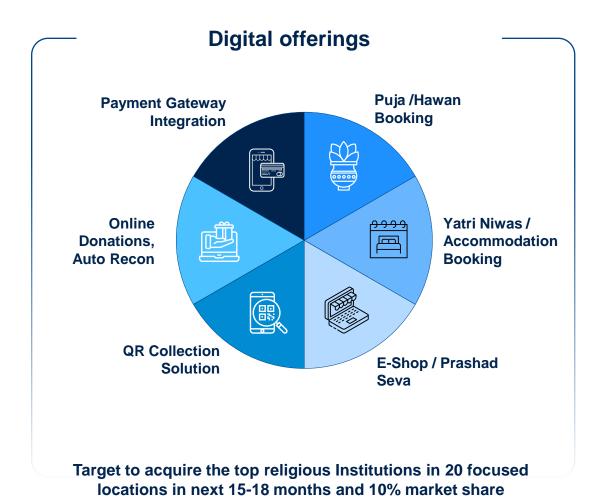
- 3 million religious' institutions
- State Government Endowment Departments regulate ~36,000 temples
- INR 23,000 crores donated annually
 - 84% of the population donates
 - 46% donate to religious entities
 - ATS of INR 442*





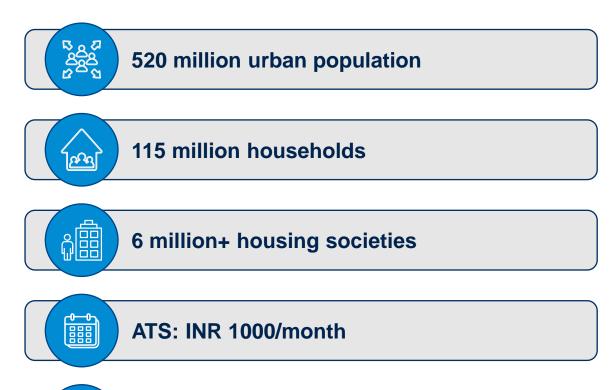
*Excludes Government Grants & Foreign Donations

Source: cafindia.org





Aiding convenience across housing societies





Source: Census 2011 and Ministry of housing and Urban Affairs Govt of India; HDFC Bank team analysis

Revenue pool: 72,000 crores

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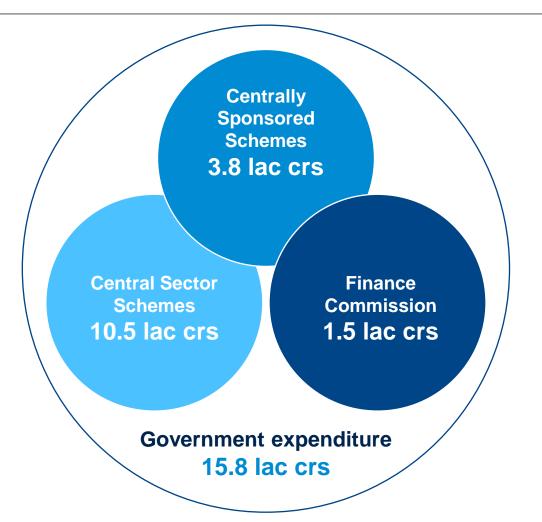


Mission
Double the book in next 24 months....

Thank You



Market share across Government flows



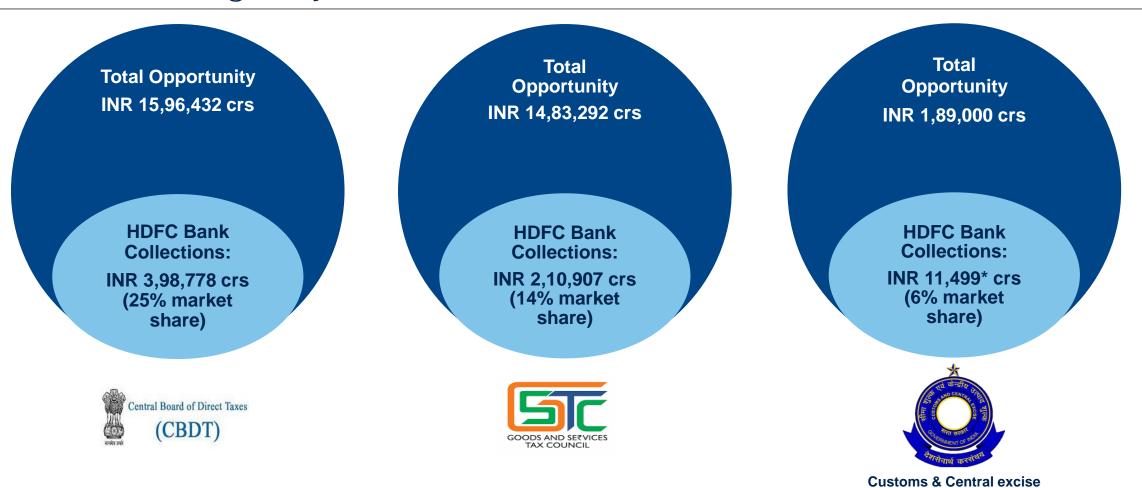
HDFC Bank Govt. Business inflows 4.1 lac crs

Target to retain 10-15% of funds flowing through HDFC Bank by acquisition of vendors and beneficiaries using Saksham and Beneficiaries accounts.

Source : www.indiabudget.gov.in, data as on FY 21-22



Government Agency Business



Source – Bank wise monthly receipt and payment of Union Government for FY 2021-22; https://gstcouncil.gov.in; https://www.indiabudget.gov.in

^{*} Txns processed from go live on 04th January till 31st March 2022



Pension opportunities

Railway Pension

Opportunity of INR 2,964 crs yearly pension pay-outs.

Pension Pension

EPFO Pension

Total opportunity of 66 lacs pensioners.

Defence Pension

Total opportunity of 32 Lacs pensioners.

Telecom Pension

Total opportunity of 72,789 pensioners with average pay of INR 20,000.



West Bengal State Pension

Opportunity of INR 7,260 crs yearly pension pay-outs by 2024-25

State Government Employee Pension

Opportunity of 10 lacs retirees accounts out of 33 lacs, with average value of INR 25,000.

Central Govt Civil Pension managed by CPAO

14 Lacs Pensioners~45,000 Employees retire per year.





Opportunities on eNAM ecosystem

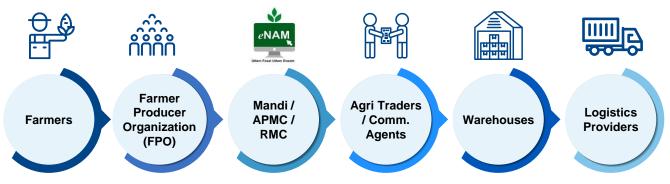
Universe

- No. of farmers Registered on e-NAM: 1.70 crs
- No. of traders Registered : 1.64 Lacs
- No. of Commission Agents Registered: 90,980
- Total Trade recorded: 4.31 Crore MT
- Trade Value recorded: Rs.1,30,753 crs
- Tradable commodities notified : 175 commodities

(till 31st March 2021)

Way forward – Tap the entire value chain





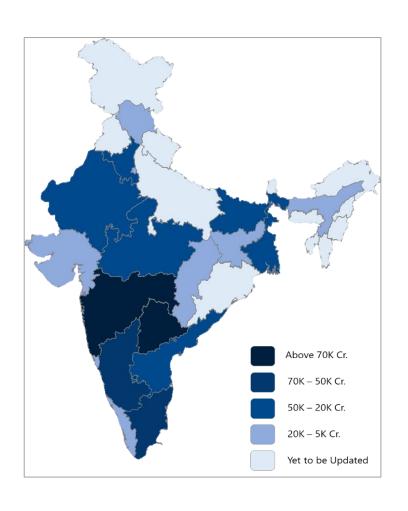
Opportunity to integrate with eNAM PoP (Platform of Platforms) in the future for tapping entire value chain

Target: Acquire 10% market share in 12 to 18 months

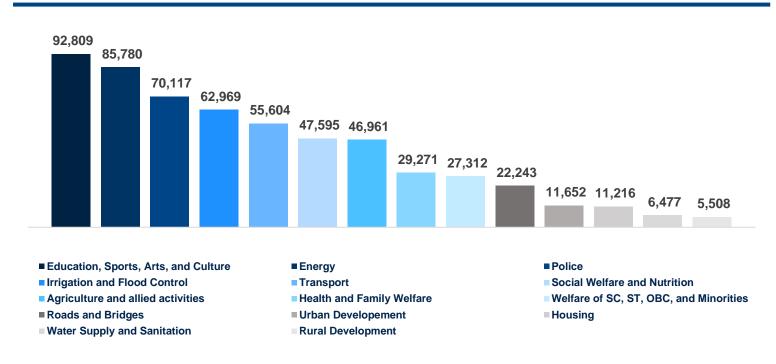
*HDFC Bank live on platform since November 12, 2021



State Government opportunities



Department Wise State Budget Allocation



Target to achieve 5% market share across INR 5.8 lac crs identified opportunity in the next 2 years



HDFC Bank Collect Now - Single Solution. Simpler Payments. Seamless Collections.

Self-serve dashboard with in-depth analytics



Single settlement of all online collections



Ability to generate & share payment links via SMS, email, etc.



Offline payments at branches with validations



Bulk disbursements via corporate internet banking



HDFC BANK



15+
Payment Modes
Accepted



Better reconciliation with single Merchant Pay-out Report



Ability to initiate instant refunds through dashboard



Ability to design payment forms using templates



Dedicated helpdesk to resolve queries of institutions and end customer



Split collections into entity linked accounts

^{*}Comprehensive digital solution for all Government and Institutional segments.



Plug & play solution offerings*



Procurement_Solutions

eProcurement and Trading
Platform of agricultural products



eTendering/ eAuction

eGovernance platform for procurement of services or monetization of assets



Supply Chain Management

End to end solution to automate supply chain management process of dairy industry



Project Monitoring System

Centralized platform to monitor to prevent time and cost overrun



District Dashboard

A solution to enhance monitoring efficiency of district administration



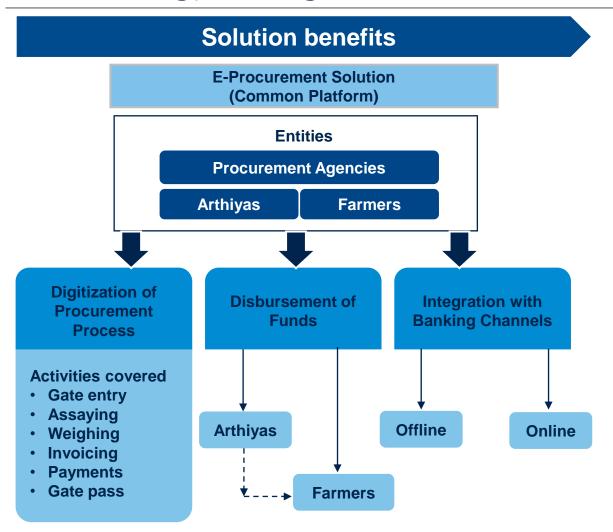
SNA Linked Solutions

Solutions integrated with PFMS in compliance to SNA guidelines.

^{*} Few examples / sample plug & play solutions



Technology for agriculture: e-Procurement platform

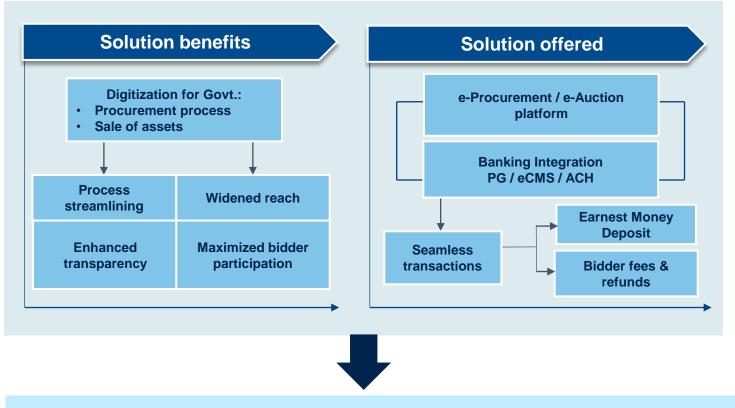


- Bank integrated on eNAM platform for digitization of Agri Procurement & Fund Disbursement to stakeholders across value chain
- Digitization of registrations, records & payments
- Flexible Collection Modes Online as well as Offline

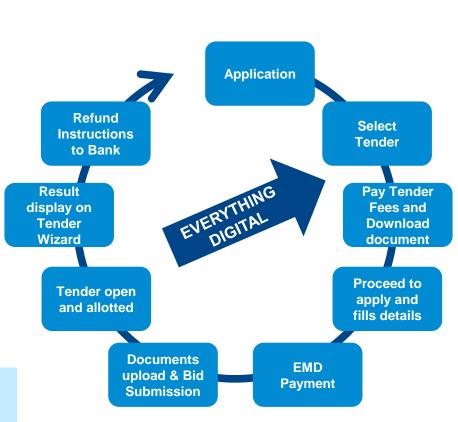
- Currently we are active in 4 states and have processed 10 lacs+ transactions for disbursement of funds to farmers and arthiyas
- We aim to increase our presence in 10 12 states in next 12-18 months.



e-Governance: e-Tendering & e-Auction

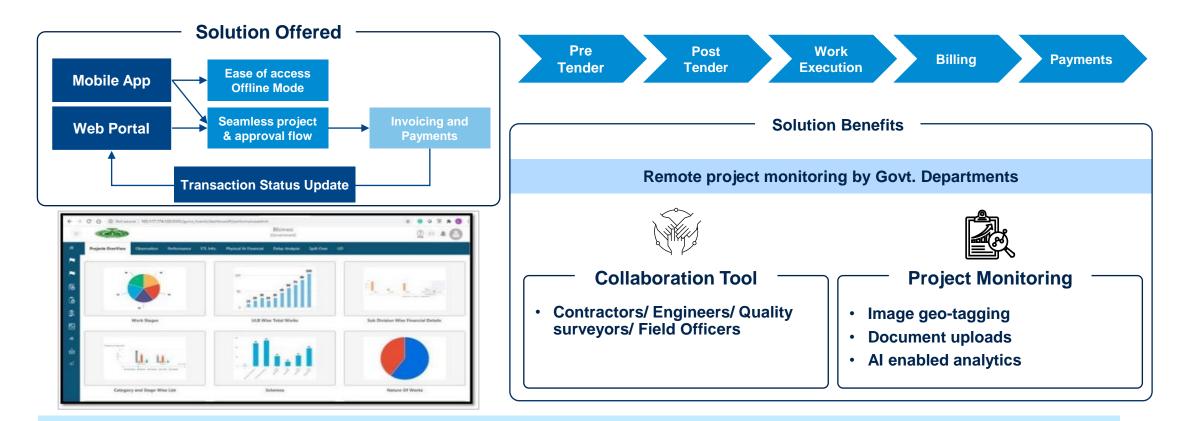


- Solution live in 6 states with Earnest Money Deposit (EMD) collection through 8.5 lac+ transaction from bidders, monetizing 1.25 lac+ government assets.
- Targeting to expand our footprints in 12 15 states with increase in EMD collection by 20%





Project monitoring system – Government project management solution (GPMS)



- Solution live across 5 states with 10 active implementation setups and 5000+ projects being monitored through the solution.
- Targeting to increase our presence in rest of the states with active implementation to be increased to 15% to 20% in next 15-18 months



CSR & SLI initiatives

Continuous efforts with Government on CSR and Sustainable livelihoods initiatives, we are able to project our commitment and positivity towards social initiatives.

This has helped the Bank to leverage opportunities with the Government officials positively.



















Key Government initiative: Single Nodal Agency (SNA)

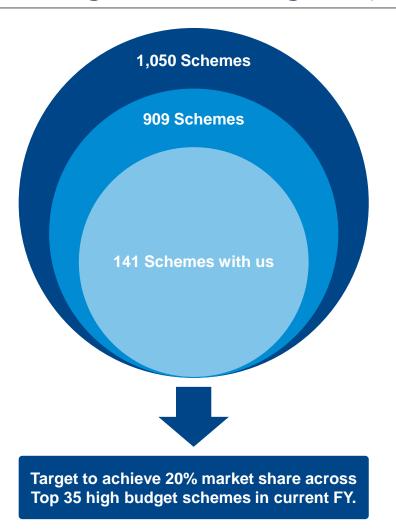
Universe of 150 Central Sponsored schemes each state Budget allocation for FY23 : INR 4.43 lac crs



Focus on Top 35 Central Sponsored schemes available at each State.

Budget allocation for FY23 : INR 3.81 lac crs

86% of total budget



Few Key Focused Schemes







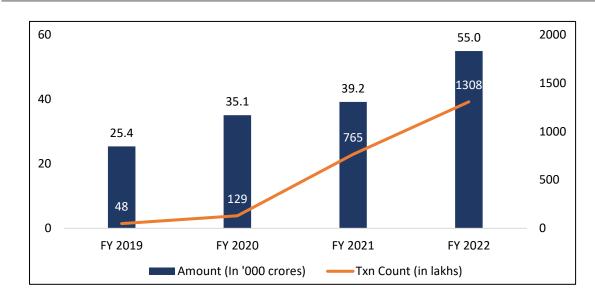








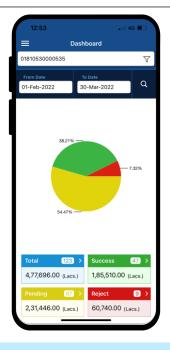
Public Financial Management System (PFMS)



Highlights

- PFMS is mandatory for all the central government schemes and HDFC Bank is recognized among top transacting banks.
- Multiple solutions integrated with PFMS in line with guidelines issued by Government of India for all Government schemes.
- 1.7lacs+ Government agencies registered with the Bank out of ~17 lacs PFMS agencies. Target to add registration of 1.5 lacs in current FY.







Target to take the transactions volume in PFMS to 3X in 18 to 24 months and be amongst Top 3 in PFMS.



Key Accolades

- Appreciation letter on PFMS performance of Bank from Ministry of Panchayati Raj.
- Recognition among Top 5 PFMS transacting Banks by Ministry of Finance.

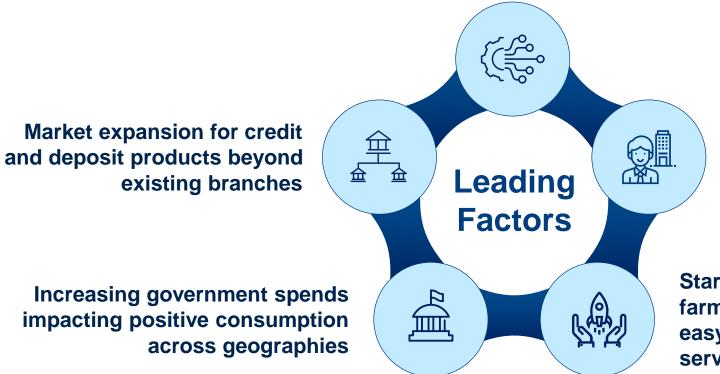


Alternate Banking Channel & Partnerships



Building Distribution through Partnerships

Adoption of technology has been fast in India especially in Tier 3-6 cities



Large corporates are changing the digital experience to reach out to the last mile of the country

Startups are bringing precision farming, improved market linkages, easy financing options and shared services across the country



Leveraging Partnerships



Distribution Reach

- Pan India 5 Lacs+ centers
- 74% in rural areas

Impact Areas



Ready Infrastructure

- Fully functional physical touch points across multiple partners
- This infrastructure is funded by the partner/agent



Tech Enabled Sales

- Leveraging technology for a deep geographic reach
- Digital adoption with compatible partners to increase sales
- 25+ Banking Products & Services are rendered digitally making them mini branches.

Existing Partner



New Partners









1.6 Lakh+
Women trained in 23000+ SHGs



Impact



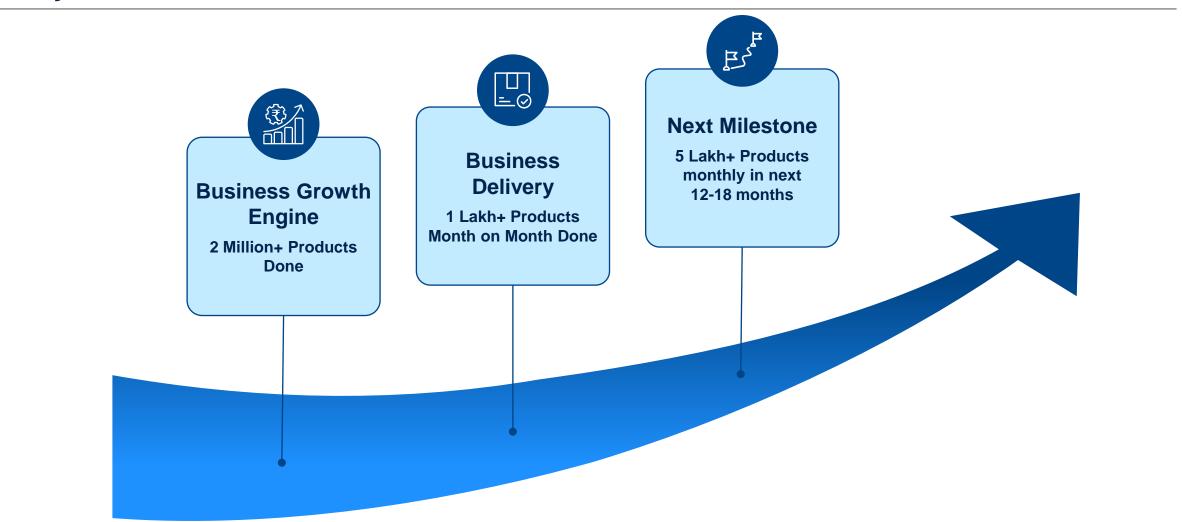
Value to Bank

- Deep Geo Penetration
- Nil infrastructure and minimal manpower cost for distribution.
- Low cost of acquisition & servicing
- Replace non profitable branches and small transactions migration.
- Collection capability enhancement
- Digitally assisted and non assisted customer acquisition/service

Digital engagement and outreach 15.124 **Centres Across India for transactions HEALTHCARE** 12500+ **Female Beneficiaries for Stree Swabhiman DIGI GAON INITIATIVE** 3980+ 10 Lakh+ Rural Villages were digitized. **Citizens registered for** Makeover of villages with Social vaccinations in VLE Centres **Education Labs/ Printers Impact E** ស៊ីស៊ីស៊ី **WOMEN EMPOWERMENT RURAL EMPLOYMENT** 3000 +5 Lakh + **VLEs Employed as Bank Women Trained on Phlebotomy Agents across India**



Way Forward

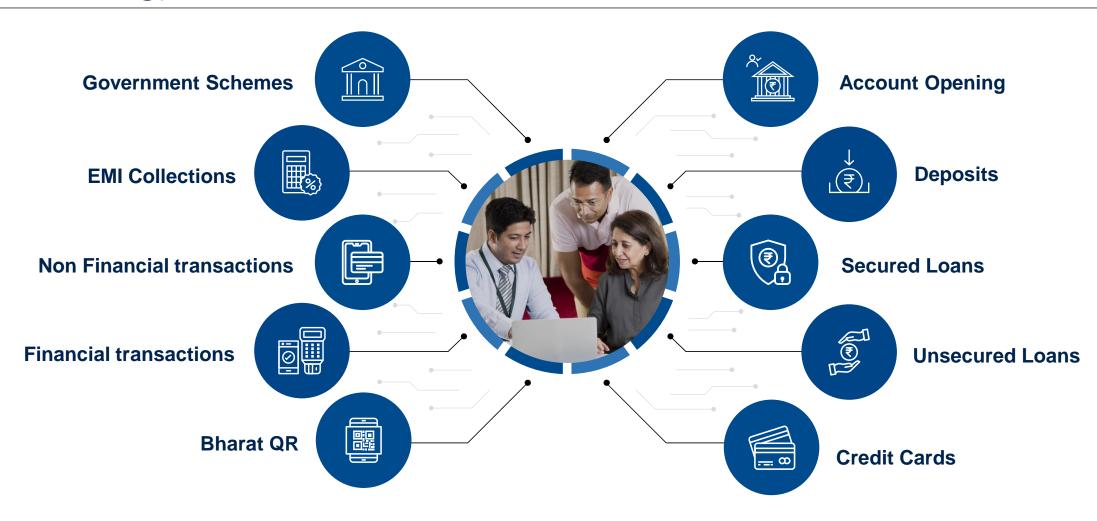




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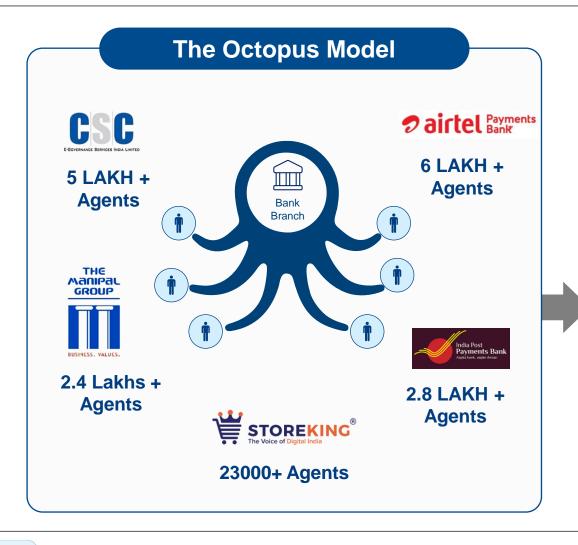


Technology Enabled Outreach



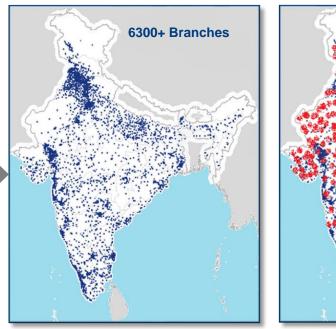


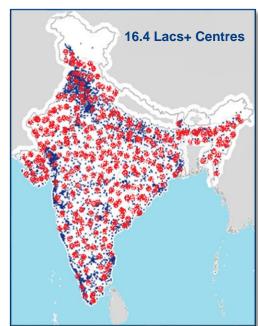
Distribution Opportunity



HDFC Bank Network

HDFC Bank + Partner Network Opportunity

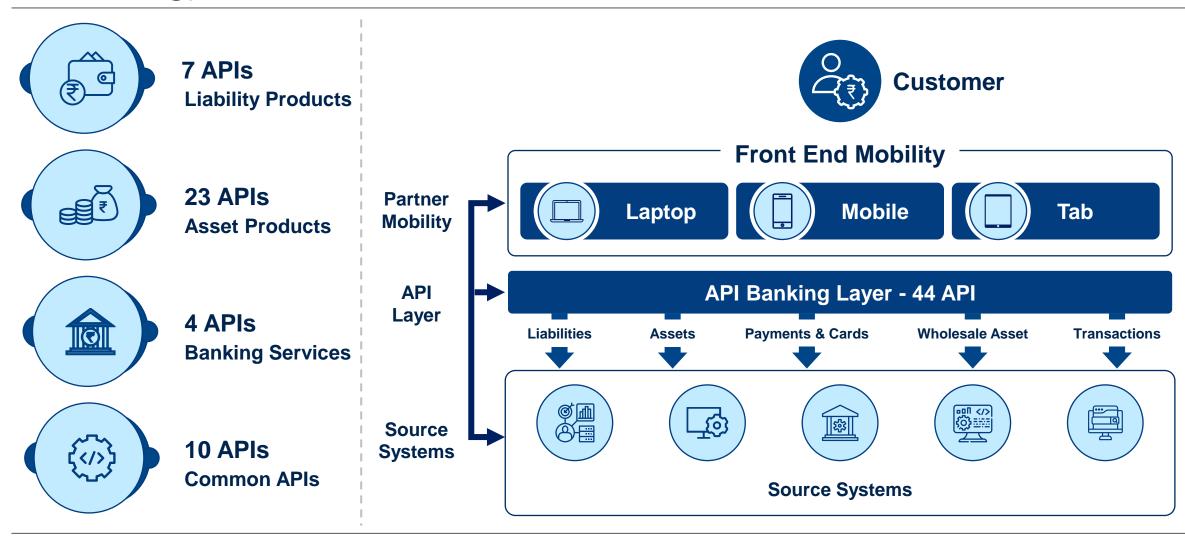




Network consists of Business Facilitators & Business Correspondent Agents



Technology Enablement





Centre Infrastructure





Laptop/ **Desktop**



Printer













Agent Centers







Wi-Fi

Webcam

Power back up





