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Now, Get a Personal Loan From HDFC Bank in Just 10 Seconds

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New Delhi: If there was a speed barrier in loan disbursals, HDFC Bank claims to have shattered it. Starting May 5, HDFC Bank will take just 10 seconds to disburse a personal loan to your bank account. An industry first, the 24x7 Net banking initiative will do away with human intervention, allowing you to avail of the loan at any time of day or night, even during bank holidays.

Claimed by the bank to be the world's fastest loan disbursal, it has trumped Poland's mBank, which does so in 30 seconds. While the approval time in India has been falling, with some banks claiming to do it in 1-2 minutes, the actual disbursal usually takes 48-72 hours.

"It's like a virtual cheque lying in your bank account and will go a long way in enhancing customer delight and convenience, besides being a game changer for the industry," says Arvind Kapil, Senior Executive Vice-president & Business Head — Unsecured Loans, Home & Mortgage Loans.

Bank trumps Poland's mBank, which takes 30 seconds to disburse loans

So, when you want a loan, just log on to the Net banking portal, click on the banner and an online form will appear. It will be pre-populated to a large extent with customer data, will require some verification and an OTP (one-time password) as an added layer of security. Within 10 seconds of your filling up the form, the loan will be in your account. The existing duration cited by the bank website for disbursal of personal loan is two days.

To start with, the real-time, paperless service will be available only to its existing customers pre-approved for the loan and who have been with the bank for at least 6-8 months. Eventually, however, the bank plans to extend the service to non-customers though the time required for such disbursal will be roughly 30 minutes.

"We are starting with personal loans because they fit the bill on multiple counts. They fulfil several requirements for customers and offer a leeway for seamless delivery," says Kapil. The service is likely to be expanded to other loans, but the bank will wait for the response to personal loans before doing so.

This move towards digitisation has been made possible through tech innovation, data analytics, credit bureau scores and an overall change in back-end processes. "It allows the bank to have a 360 degree view of the customer's banking transactions, including the account and credit history, allowing for enhanced speed of disbursal," he adds. HDFC Bank's personal loan business has been growing at 25-30% annually and the move will help increase back-end efficiencies by 25-30%.