

HDFC Bank makes key top-level changes in tech, retail branch biz

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feedback@livemint.com

HDFC Bank Ltd is revamping some parts of top management as the bank seeks to propel its mortgages business, three months after it acquired another lender.

It detailed the changes in a memo to employees late Sunday, according to people familiar with the matter, who asked not to be identified discussing private information.

It has brought information technology and digital functions, led by Ramesh Lakshminarayanan directly under chief executive Sashidhar Jagdishan as the bank leans on technology to offer more products and services across its branches, the people said. Ashish Parthasarthy a bank veteran who has led treasury since 2009, will get responsibility for the key retail branch business, which handles deposits and product distribution, they added.

The lender's shares have



Sashidhar Jagdishan, CEO, HDFC Bank.

come under pressure since the takeover of Housing Development Finance Corp. in July, which made HDFC one of the world's largest banks. It also faced a rare downgrade last month from Nomura Holdings Inc., which cited concerns on HDFC's return on assets and pressures on loan growth.

HDFC agreed last April to acquire the country's largest mortgage lender in a deal valued at about \$60 billion to ride a boom in home loans and consumer spending in the world's fastest-growing major

economy. The deal to merge the two companies with a combined market value of almost \$190 billion at that time followed a proposal by the banking regulator for large non-banking financial companies to convert into banks to avoid a repetition of the nation's massive shadow lending crisis in 2018.

Under Parthasarthy, the lender is splitting the geographical management of the retail branch business to handle its expansion and product plans in a more structured way, the people said. It will be co-led by Smita Bhagat and Sampath Kumar.

Bhagat, one of the senior women leaders at the bank, was previously the group head for government and institutional business, ecosystem banking, inclusive banking and startups. Kumar was group head of liability products, third party products and non-resident business at the bank.

HDFC Bank did not immediately respond to a request seeking comment.