# Retail Mortgages

# Home Loan Strategy

1. Higher Sales Turnover
2. Large CASA Opportunity
3. Build on Distribution Strength
4. Build on Process Reengineering & Digital
5. ROA Accretive
6. Summary

Classification - Public

# Higher Sales Turnover

- Significant higher business from the Branch network
- Significant business growth from Open market distribution which includes physical & digital.
- Uptake in disbursals through Builder distribution

# Large CASA Opportunity

Savings Account Opportunity for all incremental Home Loan customers (~65%-70% are NTB) which will act as an enabler for:

- ✓ Platform to Cross sell minimum **9** products in customer journey… we expect substantial cross sell happening in 1st year of disbursal of respective customer.
- ✓ Acting as **PRIMARY Banker** for every customer leading to ROBUST CASA
- ✓ Increased customer stickiness leading to improved Portfolio retention.
- ✓ Best in class portfolio quality

**Bouquet of Products**

- **S**avings Account
- **F**amily Accounts
- **W**ealth Products
- **G**eneral Insurance
- **L**ife Insurance
- **P**ersonal Loans
- **R**efurbishment Loans
- **C**redit Cards
- **C**onsumer Durable Loans

# Build on Distribution Strength

- Capitalising on Enhanced network in Tier 2 and Tier 3+ locations.
- Leveraging on already LAP operational geographies.
- ~90% branches are activated for lead generation, which will substantially improve each quarter.
- Strengthening open market lead generation process and working on Digital Home Loan product.
- Through 3X faster TAT… We are creating first right to refusal… leading to better credit.

# Build on Process Reengineering & Digital

## 3X Faster Turn Around Time

Improvement in Turn Around Time (TAT) which results into Customer Satisfaction & Improves Employee Productivity

## Credit Buying Analytics with Digital

- ✓ Analyses Transaction Pattern of Customers to offer Product Suite pertinent to him/her
- ✓ Creating a huge pre-approved databases… which creates higher multiplier for branches for closure.

## Relationship Management & Digital Offerings

Retaining service centre model with improved processing abilities over the next 90 days. We will utilize the resources for cross sell eventually developing to Relationship Managers.

# ROA Accretive


Every housing loan creates opportunity for minimum **9** other products – Customer Savings Account, Family Savings Account, General Insurance, life Insurance, Credit Card, Consumer Durable Loans, Wealth Products, Refurbishment Loan and other Retail Lending products.

Negligible Acquisition cost since all products will be cross sold digitally & by Mortgages resources.

Liability accounts for incremental loans with initial payments close to EMI amount, leading to higher balances coupled with cross sell & engagement will make us **PRIMARY BANKERS**.

EMIs from CASA and higher engagement leads to higher Portfolio Stickiness and Lower Delinquencies.

# Summary

**Better Quality Portfolio**

- Clear Notch higher sales turnover Post Merger
- Maintaining clear notch higher growth over peers Quarter on Quarter

**Sensible Pricing**

- Offering 9 Bouquet of Products seamlessly through digital platforms… for revenue + engagement.

**Balanced Growth**

- Increasing Customer Stickiness
- CASA Penetration leading to lower delinquency and higher portfolio retention

**Best in Class TAT**

- Working on Digital Home loan product for best in class turn around time.

HDFC BANK

# Thank You