

HDFC Bank issues India's first Electronic Bank Guarantee

- ***Partnered with National E-Governance Services Limited to develop e-bank guarantee***
- ***Bank to migrate to e-bank guarantees to deliver quick, digital, paperless service***

Mumbai, September 12, 2022: HDFC Bank, India's largest private sector bank, on September 4th, 2022, became the first bank in the country to issue an Electronic Bank Guarantee (e-BG) in partnership with National E-Governance Services Limited (NeSL). Paper based, time-consuming process has been eliminated with the new electronic bank guarantees that can be processed, stamped, verified and delivered instantly with enhanced security. This is a transformational change, and the Bank will migrate to eBG to benefit all its customers.

Paper-based bank guarantees takes 3-5 days to complete the process of physical pick up from the bank, courier to the beneficiary, stamp it and re-verify it. Besides there was no central repository for bank guarantees until now. Bringing in efficiency of time, eBG offers enhanced security. Physical stamping has been eliminated and replaced with eStamping and with eBG, the applicant and beneficiary can instantly view a bank guarantee on the NeSL portal.

Mr Bhavesh Zaveri, Group Head – Operations, HDFC Bank said on this occasion, "Digitisation is an important enabler for our vision, to be recognised as a Bank which offers a distinctive customer experience. We remain committed to designing products that make digital banking simple, contextual, and highly secure. Digitisation of issuance of BG is a transformational step towards increasing the ease of doing business for MSMEs who are major applicants for bank guarantees. HDFC Bank will migrate to eBG platform completely in order to expedite the issuance of BGs for our customers."

e-BG has been developed in consultation with NeSL, CVC-CBI committee and IBA to simplify the process and eliminate the possibility of fraud and manipulation. e-BG will be issued on the NeSL portal through an API-based digital workflow.



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Mr Debajyoti Ray Chaudhuri, MD & CEO of NeSL said, "An Electronic Bank Guarantee or eBG eliminates the physical documentation usually associated with a bank guarantee, and the eBG becomes available in a digital form to the beneficiary. It was a pleasure to be associated with HDFC Bank in implementing eBG and we are extremely happy that HDFC Bank became the first bank to issue such an eBG using the NeSL paperless eStamping DDE platform."

HDFC Bank has been building new competencies through Digital Factory, Enterprise Factory and Enterprise IT to both run and build the Bank. Building new competencies is a key pillar for the bank's digital strategy.

About HDFC BANK

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