

**Exclusive media coverage achieved for Dhiraj Relli, MD & CEO of HDFC Securities includes newspaper, magazine & television**

**Bullish on AMCs and Insurance Sector: Dhiraj Relli, MD & CEO, HDFC Securities.**

Consumption is a temporary problem and investment cycle is a bigger issue. CAPEX & Investment cycles will be big drivers for the BFSI sector, says Dhiraj Relli, MD & CEO, HDFC Securities.



**Private banks, large NBFCs should continue to do well: Dhiraj Relli, HDFC Securities**



*We will see a healthy uptick in the broader markets next year, but stock selection will be critical. Be sure of the business model, management and sustainability before investing. Dhiraj Relli MD & CEO, HDFC Securities tells ET Wealth.*

Domestic pharma companies will do better than export centric ones.

**Govt has to take steps to boost consumption: Dhiraj Relli, MD and CEO, HDFC Securities**

The recategorisation of MF (mutual fund) schemes led to an institutional selling just to meet regulatory requirements.

Written by **EE Bureau**  
January 23, 2020 04:50 IST



**Budget 2020: Reasonable leeway on fiscal deficit may not be objected by markets, says Dhiraj Relli of HDFC Securities**

In an interaction with CNBC-TV18, Relli said that a little bit of leeway in fiscal deficit in these conditions may not be objected by the markets. He also spoke about December quarter corporate earnings and recent global developments.

**RBI hopes for better chances of rate transmission, announces four customer-friendly policies**

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The Reserve Bank of India cut the repo rate by 25 bps. However, the past two rate cuts have seen little transmission. The RBI's statement noted that the 0.5% cumulative cut in February and April resulted in only 0.21% average reduction on fresh rupee loans. On past loans, the weighted average lending rate actually went up by 4 bps (0.04%). Gaurav Gupta, chief executive officer, Mysore, attributed the faulty transmission to the ongoing crisis in non banking finance companies and housing finance companies and its impact on debt markets. But with total 75 bps cut this year, there may be better chances of rate transmission. Rajiv Anand, executive director-wholesale banking, Axis Bank, pointed to improved liquidity in the system which has gone from deficit to surplus as a factor in favour of rate transmission. Existing borrowers, who see this as a positive development and an opportunity to shift to a cheaper loan, should do a cost-benefit analysis before switching. Make sure that what you save in the first year after the switch through lower EMAs is more than the cost of switch.

**NEFT AND RTGS CHARGES**  
While the rate cut transmission may take some time to play out, what should bring cheer to the customers is RBI's decision to waive charges related to NEFT and RTGS for money transfers that it levies on banks and ensure that the cuts are passed on to customers. This is part of its overall push to increase electronic payments. The RBI also proposed to constitute a committee to examine ATM charges and fees given the growing usage. The Committee is expected to submit its recommendations within two months of its first meeting and the RBI will announce the composition of the committee in a week's time.

**FOREX TRADING PLATFORM**  
The RBI announced that a platform for buying foreign exchange at market prices for individuals and small and medium enterprises (SMEs) is being tested by users. It expects the platform to be operational from August 2019. At present, both the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) offer forex derivatives in which retail investors can participate. However, 'spot' purchases of foreign exchange are not easily facilitated on exchanges. Retail buyers mostly rely on banks and foreign exchange dealers and pay hefty spreads on their forex transactions. A spread is the difference between the buying and selling rate of foreign exchange. Though the magnitude of this is not to be known, it is a good measure to reduce costs for small businesses and individual users. However, the charges levied by the banks who will facilitate such trades will have to be competitive. The success of this

**Credit policy and you**

Current repo rate cut 25bps	Total rate cut since calendar year 2019 75bps
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**IMPACT ON**

- Borrowing**  
Transmission is not proportional  
Past two rate cuts - 0.50 bps  
How much was passed on? 0.21 bps  
Better transmission expected this time
- Deposits**  
Historically rate cuts see quick transmission  
Banks looking to increase funding  
Impact of rate cut likely to be muted
- Transactions**  
NEFT and RTGS charges to be waived  
ATM charges to be reviewed  
Trading platform to provide forex at market prices to retail investors  
Possible to invest in state government debt

Source: RBI Monetary Policy Statement (6 June 2019)  
SANTOSH SHARMA/ANI

platform will depend on the active participation from authorised dealers (including banks). One will have to wait and see as to how soon the platform is able to offer the required depth and liquidity," said Dhiraj Relli, managing director and chief executive officer, HDFC Securities.

**STATE DEVELOPMENT LOANS**  
At present, retail investors are able to invest in government of India securities as part of RBI's attempt to deepen the government bond market. Brokers such as Zerodha already offer this facility. The RBI proposed to extend this facility to state development loans (SDLs), effectively the bonds of Indian states. Such SDLs can carry a slightly higher yield than government of India bonds and have extremely low risk. Wealth managers took a cautious stance on the proposal. "Testing individual investors to invest directly in bonds has been a challenge for a long time. Even after government of India bonds were made available to individuals, investment has not picked up much. SDLs are a good option for HNIs who are willing to buy and hold the bonds to maturity and do not want much credit risk," said Abhijit Bhavne, chief executive officer, Karvy Private Wealth.

RBI has changed its stance from neutral to accommodative and this may imply additional rate cuts in the next few quarters. This is not positive for borrowers but a lot depends on transmission of rate cuts in the coming months. However, for retail investors, the realising on the cake is the RBI's proposals with regard to forex purchases, currency transfer charges, investment in state government debt and ATM charges. If they work well, they should ultimately put more money in investors' pockets.

**Borrowers who see this as an opportunity to shift to a cheaper loan should do a cost-benefit analysis**

**#MondayMotivation**  
Borrowing from business leaders for a positive start to the week

**'For me, tomorrow is planned today'**

Thank You for Being Late  
THOMAS J. FRIEDMAN

**HIRAJ RELLI**  
MD and CEO, HDFC Securities

**MORNING BOOST**  
I generally wake up by 6am and enjoy the peace. It helps me set a perspective for the day. To optimize my mornings, I address my day's arrangements the previous evening itself. To energize myself, I have a cup of black coffee. For breakfast, I prefer oats porridge along with freshly-cut fruit and soaked almonds.

**SLEEP LOG**  
I need at least six hours of sleep on week days. So, I try to call it a day by 9.30pm. Before going to sleep, I read a book or listen to retro Hindi songs. While travelling, a balanced diet and regular workouts help me to cope with stress. Being hydrated and avoiding caffeine is an easy trick to combat jet lag.

**FOOD FOR FUEL**  
I try to finish my dinner before 7pm and cut down on carbs post-lunch. I love experimenting with different flavoured teas but mostly fall back on green tea. Three to four cups of green tea through the day with walnuts, dates, pistachios and pumpkin seeds keep me satiated.

**HOW I FIND MY ZEEN**  
Besides my workout routine, I regularly talk to my daughter who is studying in NYU. "Conversational" walks after dinner with my wife rejuvenate me. Currently, I am reading Thomas Friedman's *Thank You For Being Late*. RASHMI MENON

## Enhancing User Experience - The Ultimate Motto of Customer Loyalty

Dhiraj Relli, MD & CEO, HDFC Securities



Dhiraj is a visionary with an experience of over 20 years in banking, wealth management and sales & distribution in relation to financial services products.

The broking industry is one of first and the most impacted when it comes to technology disruptions. From the days of 'Open Outcry System' to completely electronic trading processes, our capital markets have evolved in a large and swift manner led by technology. Internet, smart phones and many other artificial intelligence enabled software and hardware are bringing

Europe. It is estimated that only around 3-5 percent of India's population invests in markets as compared to over 40 percent in developed countries. New set of customers who want to invest in capital markets are not increasing at the expected pace. Financial literacy, education, greater disposable income and stricter governance norms would help in making people realize the importance of managing and growing their monies.

Full-service brokerage firms are faced with the challenge of reducing costs while enhancing operating efficiencies. They need to offer unbundled services to different clients based on their needs. Culturally, Indians do not like to pay for advice or research so far. However the large brokers will have to educate investor community at large about the benefits of paying for advice or research.

**"Customer service should be a part of the genetic setup of the company and not as a fear tactic to hedge against losing out to competition"**

MACRO

## What India Inc. expects from Interim Budget 2019

Corporate India seeks tax exemptions, a road map for 'one GST rate' and more from the Interim Budget.

By FORTUNE INDIA. Jan 22, 2019 | 20 min read

### Dhiraj Relli, MD and CEO, HDFC Securities

Propriety demands that not too many changes should be made in a vote on account or Interim Budget. This is all the more true when the vote on account (on February 01) will precede the unveiling of the Direct Tax code report on February 28. Tinkering with the tax rates or tax provisions before the release of the report will lead to avoidable controversies.

While some reliefs that no political party can dare to roll back (like raising exemption limit for individuals under Income Tax Act) some relief measures for rural population etc can be expected. We do not foresee any measures having substantial impact on businesses. While the speech may include a lot by way of vision statement for the next 3-5 years, its implementation will be postponed to the new government.

## Rider in the storm

Cycling, especially during monsoon, is what keeps HDFC Securities MD and CEO, Dhiraj Relli, at the top of his game

Deepika Agrawal  
Published 5 years ago on Sep 07, 2019 • 3 minutes Read



## Where & how to invest now

A stable government has been elected. Find out what this means for your equity investments

By Narendra Nathan & Sanket Dhanoo

The return of Narendra Modi as Prime Minister has pumped adrenaline into the stock markets. Markets prefer a strong, stable regime because it ensures continuity in economic policies. "Investors now have political stability and predictability of economic policies," says Dhiraj Relli, MD & CEO, HDFC Securities. "The mandate removes the overhang of uncertainty. This is a significant positive for market sentiment," says Mihir Vora, Director & Chief Investment Officer, Max Life Insurance. The Sensex had breached the 40,000 mark last week, but experts say investors should not base their decisions on milestones in an index's trajectory. "Sensex at 40,000 or Nifty at 12,000 are just numbers. Investors should look at the long term prospects," says G. Pradeep Kumar, CEO, Union Mutual Fund. Volatility is part and parcel of stock markets, though it does not last forever. The markets factor in major events like the Lok Sabha elections but eventually go back to their normal functioning. 177



In the near term, analysts expect markets to come to terms with ground realities soon. "After the euphoria, the focus would shift to hardcore economic decisions," asserts Anish Aggarwal, Head Research, Probudus Lilloche.

### Trim your expectations

Investors who have adequate exposure to equities are likely to benefit in the coming months. However, this is not the time to increase your equity allocation. What if the short-term rally in stocks takes your equity allocation even higher? Vijay Rappa, Co-founder, Onwealth reckons this expected short-term rally should be used to cut equity exposure. Even investors who have remained on the sidelines waiting for a clear direction should refrain from jumping headlong into the market. Jimmy Patel, MD and CEO, Quantum Mutual Fund, suggests investors remain calm. "Rising markets make the stocks expensive, and hence it would be not the right time to jump in." It would be prudent to build exposure gradually and selectively. The market is at high levels and investors who get in now should rein in return expectations.

## In The Hot Seat With Forbes Advisor India: Dhiraj Relli



Aashika Jain  
Editor

Updated: Dec 18, 2020, 7:11am



Personal Finance News

## 2019 Budget Reactions

Let's take a quick look at 2019 budget reactions shared by some of the industry experts.

~ Dhiraj Relli, MD and CEO, HDFC Securities

The disposable income of EWS and LIG category borrower will increase with the exemption of tax on annual earnings up to Rs 5 lakh and also increase in standard deduction by Rs 10,000. The developers for new projects are also incentivised with the Income Tax exemption available till 2020 thereby keeping the prices in check.

The housing demand will witness good uptick with measures like no income tax on notional rent on second self occupied home and also capital gains benefit allowed on second houses in select cases.

## Finance minister may not hit bullseye this time

Market experts do not expect the finance minister to come out with measures such as the last year's LTCG tax of 10% on equity investments



Soumanty Kanungo

Updated : Jan 30, 2019, 05:15 AM IST

Dhiraj Relli, managing director and CEO, HDFC Securities, said the fiscal deficit has already breached the budgeted target, and touched 114.8% of budgeted estimates versus 112% last year.

"Given that serious fiscal constraints looms, the government is unlikely to go the fiscal profligacy path. While the government has the option to resort to off-Budget financing of expenditure to display a healthy picture, this is just pushing the hard decisions for future," Relli said.

**Developed PR & Comms strategy for industry-first tech and new product announcements.**  
**Below are some highlights**

**Securities Trading**

## HDFC Sec doubles spend on digital transformation

Nand Kishore Purohit, Head, Digital Strategy & Analytics at HDFC Securities, speaks about its trading platform and its contribution in business growth:

**Mehul Dant: How has HDFC Securities' digital strategy shaped up & implemented in 2018-19? How has it been received by customers? What are the areas of improvement?**

**Nand Kishore Purohit:** Digital strategy of our organisation has shaped up very well. In FY 2018-19, we have followed customer feedback-led development strategy, thus, improving customer experience on our core digital platforms. We have launched new platforms and have also forayed as the first organisation in Indian broking industry to launch AI & ML enabled conversational on-boarding and investing platform to acquire and service millennials. As far as areas of improvement is concerned, we have to work on hyper-personalization of customers.

**How much business is garnered approximately online and off-line by your company in 2018-19?**

As a result of above strategy, we have reached a stage where 77% of our customers transact online. Our digital revenue has grown around 25% this year compared to last year, showing acceptability by customers. We are the first broker in the country to roll out virtual assistant service through voice based IoT devices. At present, a customer can choose from over 5000 schemes across 37 AMCs.

**What are your digital and IT initiatives?**

HDFC Securities offers 'Digify', a unique paperless platform to invest hassle free in mutual funds within minutes. Digify is a cloud-based document security service and virtual data room that allows companies to track and protect files. Digify can be used on a web browser, and apps are offered for Android and iOS devices. One can purchase or redeem units of mutual funds via SIP or lump sum mode and can also make additional purchase of mutual fund schemes through the online platform. The units will be allotted to one's demat account as per settlement period.

If you have a trading account with



**Nand Kishore Purohit outlines how marketing campaigns revolve around increasing engagement with customers**

HDFC Securities, you can register online for investing in DIY SIP. Once you log in to your trading account, you can click on DIY SIP tab and create a new SIP basket. Alternatively, you can invest in DIY SIP by filling up an application form and submitting it to the address mentioned on the form. We have a payment procedure for mutual funds bought online. Order placement in mutual fund transaction is facilitated through the existing online/adhoc mechanism.

**How have you gained by deploying analytics to increase business? How is technology put to use for CRM? What are you doing to enhance customer experience?**

We have implemented AI and ML based platform to service our traders and leveraged analytics to deliver personalized portfolio based alerts to our customers resulting in both revenue growth as well as digital migration of customers. As far as use of technology is concerned for CRM, we have developed AI, ML capability to on-board new customers through conversational on-boarding platform (getstarted.hdfsec.com) but also to enhance engagement with the customer by providing them portfolio based alerts.

**Who are your major technology partners? What is your capex and your opex for digital initiatives in 2018-19?**

TCS, Snapworks and Heckyl are the major vendors with whom we work closely to enhance the customer experience on a regular basis. Since we are on our journey towards digital transformation, our expenses on digital initiatives have increased by almost 100%. The size of IT team is around 200 people.

**Please tell us about marketing campaigns and promotional efforts in the current FY. How strong is your presence on social media platforms?**

We primarily do campaigns using email, notification and SMS to our customers as well as performance marketing to acquire new customers. Our marketing campaign revolves around increasing engagement with customer and to upsell products. We do lot of campaigns on various social channels which helps us engage the target consumers of different age groups. We have 11,000 subscribers / followers on Youtube, 284,000 on Twitter, 78,000 on Facebook, 25,000 on LinkedIn and 1500 on Instagram.

**What are your views to stay relevant in increasing scenario of digitization of financial services?**

Digitisation is key to our strategy. Our digital strategy is not focused only on developing innovative products and services to our customers. We have implemented NPS framework to understand customer needs, learn from them and our product development roadmap is driven by customer needs and reducing friction in journey. We have created an innovation lab whose role is to benchmark our services versus best in class products and services from other industries and achieve same level of efficiency using technology. We have undertaken other initiatives as well. We have setup a 'Centre of Digital Excellence' with around 300 resources to service our customers digitally.

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## Now, invest in stocks on Nasdaq via HDFC Securities

*HDFC Securities announced a partnership with Stockal, a US-based financial platform, to launch GlobalInvesting.in, which will allow its customers to directly invest in US stocks listed on Nasdaq*

Nandkishore Purohit, head – digital strategy and analytics, HDFC securities, said, "While portfolio diversification is one of the fundamental survival trick in any market, with GlobalInvesting.in, we are looking to give our investors the extra edge through international investing opportunities." Stockal is a New York-headquartered financial services company that helps investors to make investments around the world, irrespective of where they live. Stockal is currently on-boarding investors from emerging economies like India and the Middle East and will soon launch in Indonesia, Malaysia and Brazil, according to the company's website.

## An Investment Platform free of Charges for HDFC Bank Customers

HDFC Securities announced the launch of a new platform named InvestNow.

Dhiraj Reli, MD and CEO, HDFC securities said

*"We are determined to offer an easy-to-use and cost effective multi asset investment platform to our customers. One of the key deterrents of mutual funds investment has been the complexity of the processes around it – be it choosing the correct scheme or the procedural annoyances. With the introduction of InvestNow, we plan to make mutual funds as accessible to anyone as possible. All that a customer needs to do is to simply register at InvestNow, create financial goals, select a recommended scheme and invest."*

## There's greater comfort in owning pvt banks: Deepak Jasani, HDFC Securities

*Optically, the markets do not look cheap. However technical factors (liquidity, no alternative asset class etc) means that equities could continue to do well for some more time, the expert said.*