

Bajaj LAS Flexi Loan Product Presentation

1.11

LOANS AGAINST SECURITIES

LAS provides finance against your investments in capital market.

It is a liquidity available without liquidating your investments in times when funds are required.

- **Contingencies requirements**
- **Short term working capital need**
- **Bridge Finance**
- **Child Education**
- **Child Marriage**
- **Margin money to buy Home**
- **Personal Needs**

TYPES OF SECURITIES

- **Shares**
- **Open ended Equity Mutual Funds**
- **Debt Mutual Funds**
- **RBI Bonds**

IMPORTANT POINTS

- **LAS against investment in E Wealth account.**
- **LAS can be initiated from Partner desk & E wealth account.**
- **Agreement & Pledge request form is E Signed.**
- **Loan is processed T+4 working days.**
- **Single EWA holder can E sign the agreement through OTP.**

IMPORTANT POINTS

- **Client can repay the loan partially or fully any time.**
- **No foreclosure charges.**
- **Interest is charged every month on utilized fund.**
- **Loan account is auto renewed every year 3 times. No account renewal charges.**

IMPORTANT POINTS

- **Online LAS application can only be done by individual clients.**
- **Minimum Loan sanction is Rs.2,00,000/-**
- **Minimum Disbursement amount should be Rs. 25000**

IMPORTANT POINTS

- **Close ended funds & ELSS funds which are still locked in cannot be pledged.**
- **LAS is not given by NBFC to NRI & NRE account holder.**
- **Minor's securities can not be pledged. Minimum age 21 years.**
- **LAS will not be offered on any PMS Investments (Equity & MF).**
- **Investments in MARS pledged for LAS cannot be rebalanced.**

IMPORTANT POINTS

- **LAS Against NFO**

- **LAS is not offered against newly launched NFOs.**
- **It must have minimum 6 months vintage period.**
- **Minimum fund AUM should be Rs.50 Cr.**
- **After 6 months, on the basis of performance Bajaj decides to offer LAS against NFO.**

RATE OF INTEREST & PROCESSING FEES FOR LAS (W.E.F 01.10.2020)

Sr. No.	Loan Sanctioned		Rate of Interest	Processing Fees
	From	To		
1	₹2,00,000	₹5,00,000	10.25%	Rs.500 + GST
2	₹5,00,001	₹15,00,000	10.25%	0.10% + GST
3	₹15,00,001	₹99,99,999	10.00%	0.10% + GST
4	₹1,00,00,000	₹10,00,00,000	9.75%	0.05% + GST

Terms & Conditions :

1. The above rates are subject to change without any prior intimation.
2. Processing fees is charged on sanctioned loan amount.

PLEDGING AND UNPLEDGING CHARGES

Pledging Charges	Rs.15 + GST per ISIN
Un Pledging Charges	Rs.15 + GST per ISIN

- **It will be charged at the time of Pledging / Un Pledging of the securities.**
- **Invoice will be generated by NJ in the next payment cycle.**

IMPORTANT POINTS

LAS - Sanction Letter and Tenure

- 1. Sanction letter is issued by Bajaj for the tenure of 12 months.**
- 2. It is auto renewed at the end of 12th month three times.**
- 3. There are no renewal processing charges.**
- 4. The client do not have to pay principle amount at the end of the 12th month.
He is liable to pay interest on the utilized fund every month.**

LAS - Rate of Interest

- 1. The rate of interest are floating in nature.**
- 2. It is reviewed on a ongoing basis.**

IMPORTANT POINTS

Minimum Loan

While applying for the loan, the system shows the eligible loan amount on your present dematerialized securities. It is your drawing power on present investments.

Maximum Loan

- 1. While applying for the loan, the system shows maximum eligibility. It displays 1.5 time amount of today's actual eligibility of the loan. One can apply for sanction of maximum 1.5 times of your today's loan eligibility.**
- 2. This option is offered for more withdrawal against increase in NAV of the current pledged units or future investments pledged.**

IMPORTANT POINTS

	Eligible Loan	Maximum Loan
Sanctioned Loan	Rs.5 Lac Today's eligibility on your investments	Rs. 7.5 Lac You can apply for the future investments
Availale for Disbursement	Rs.5 Lac	Rs.5 Lac

Note: Your drawing power will increase with the rise in NAV or If you pledge additional securities.

IVR(Interim Valuation Report)



BAJAJ FINANCE LTD

Loan Against Securities

Interim Valuation Report as on 21-JUL-2017

Date 21/07/2017

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Group Name	RETAIL-LAS	FAS A/c	51192			
Client Name	RETAILER & CLIENT	Branch	PUNE			
Sanctioned Amount	75,000.00	Available for disbursement	56,000.00			
Principal Outstanding	0.00	Shortfall	0.00			
Drawing Power	56,443.17	Loan to Value(%)	0.00			
Scrip Name	Pledge Qnty.	Curr Market Price	Gross Amount	Margin %	Drawing Power	Contribution %
MOST FOC MID 30-REG-GR	4447.846	25.38	112,886.33	50.00	56,443.17	100.00
Total :			112,886.33		56,443.17	100.00
Group Loan Details						
FAS A/C	Client Name	Sanction Amount	Principal Outstanding	Drawing Power	Shortfall	Available for Disbursement
Note: Value of drawing power may change basis change in price						21-JUL-2017 13:59:30
Customer Support: For any query contact at LAS.SUPPORT@BAJAJFINSERV.IN						

21-JUL-2017 13:59:30

Interim Valuation Report (IVR) will be sent to client directly
Only after the receipt of IVR client will get the disbursement
If you have not given the first disbursement request then mail it to
las.crm@bajajfinserv.in

IVR Interpretation

Sanction Loan: Rs. 5,00,000 /-

Pledged Securities: Rs. 15,00,000 /-

Drawing Power: Rs. 7,50,000 /-

Available for disbursement Rs. 5,00,000 /-

Shortfall: 0

Note: Maximum available for disbursement is of Rs. 5,00,000/- not Rs. 7,50,000/- because your sanctioned loan is Rs.5,00,000/-.

Margin Shortfall

- 1. Bajaj send mail to client on 3rd day of the margin shortfall. Client has to regularize his account on or before the date given by Bajaj.**
- 2. Client can refer IVR for margin shortfall amount everyday.**
- 3. If the market goes down during the repayment date then client has to pay higher shortfall amount reflecting in IVR on the due date.**
- 4. It is always recommended to advice clients to utilize 90% of the sanctioned loan / Drawing Power to avoid margin calls.**
- 5. In case , Market Reacts in positive manner in between the Transfer Days, the payment which customer is transferring will get adjusted towards the principal O/s amount.**
- 6. Client can take back the funds as per available drawing power.**

Margin Shortfall

Client had invested in Equity Mutual Fund. The value of the mutual fund at the time of applying loan was 20 lac and loan was sanctioned @ 50% i.e 10 lac of loan was sanctioned.

The client have taken full disbursement of 10 lac. Now if the equity market falls 10% and hence the value of the pledged equity fund decreases from 20 lac to 18 lac

Now the revised sanctioned becomes 50% of 18 lac e.g. 9 lac. Hence the customer would be asked to either repay 1 lac of loan he has taken or pledge additional securities of 2 lakh.

Client has to regularize the account within 7 working days of shortfall else Bajaj will sale the securities to recover the fund.

It is always recommended to advice clients to utilize 90% of the sanctioned loan / Drawing Power to avoid routine margin calls.

Margin Shortfall – Additional Pledging Process

1. For Physical LAS Application:

- Client has to send duly filled and signed Pledge Request Form to NJ HO – Loan Operations Dept. It will be forwarded for pledging after verification.

2. For Online LAS Application:

- E Wealth Account > LAS > Loan Status Report > Initiate Pledge

Select & Pledge the securities and E Sign.

Note: The pledged securities will reflect in IVR after setup in Bajaj DP. The shortfall will be reduced against the pledged securities.

LAS - NACH Mandate Submission Process

For Mandate status on Partner Desk:

Partner Desk >> Client Services >> View Client's Loan Request

Notes for reminder mail:

- **Reminder mail for pending mandates is sent on every Monday & Thursday by NJ.**
- **Partner receives the list of clients whose mandate is pending.**
- **Client receives Pre filled mandate copy in every communication. If you have not submitted, please complete the process.**

STEP - 19

On final submission below email communication will be sent to client

Dear Sir/Madam,

Greetings from NJI

Please note that Application & Agreement for the given reference number has been successfully signed by the below applicants:

Primary Applicant Name : VIKAS D KHODADE

Loan Amount : Rs. 200000

Processing fees : Rs. 500.00

Rate of Interest(p.a.): 10.40%

Loan Application: With Pledge

Initial Disbursement Amount: Rs.200000

Please find the attached file for the Loan Form , Agreement and supporting documents.
For any assistance please contact at our HO Office.

Thanking You.

Regards

NJ India Invest Pvt. Ltd.

IVR will be sent by Bajaj on Client's registered Email id.

STEP - 20

Client has to sent an E mail for the Subsequent disbursement request.

Please send mail to las.crm@bajajfinserv.in

Subject : NJ – Disbursement – <Customer Name>

Dear Sir,

Please disburse the fund in my account.

1. FAS No from IVR -
2. Customer Name -
3. Loan amount Disburse (How much Fund ?)

Thanks

**Note:- For any Fund requirement, client has to mail from his registered mail id.
Partner can also sent request for the fund to Bajaj. Always mark client's registered mail id in CC for the mapping.**

Amount will be disbursed within 24 hours of email received by Bajaj

Thank you