

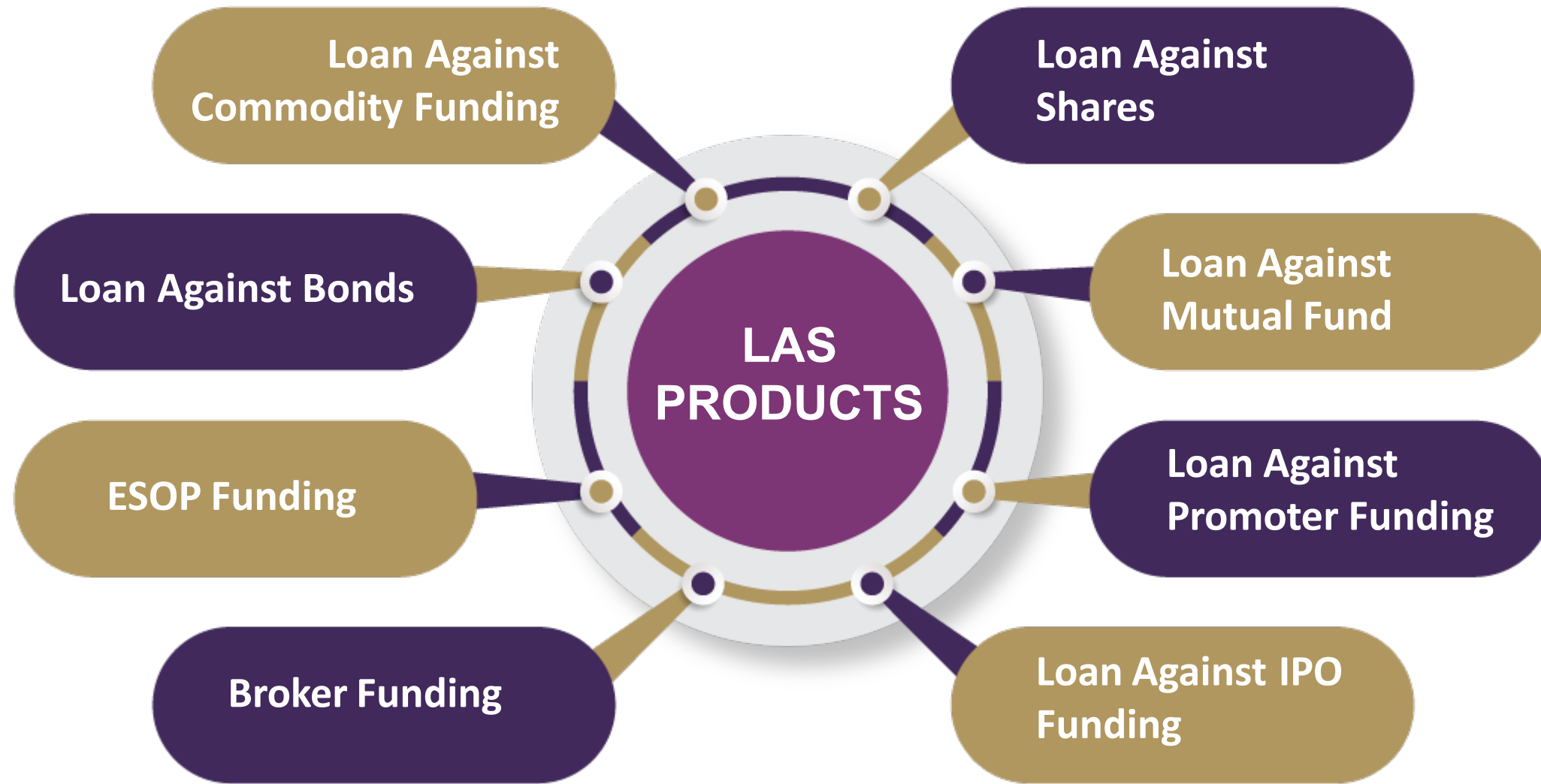
# LOAN AGAINST SECURITIES



LAS

- LAS stands for Loan Against Securities
- Loans Against Securities is available in the form of an overdraft facility which is pledged against financial securities like shares, mutual funds and bonds
- Loan Against Shares, Bonds or Mutual Funds is basically a loan wherein you pledge the securities you have invested in as collateral against the loan amount







Enables funding against shares without selling shares in the Market



Cost of LAS is Lower than Personal Loan/ Business & any other Loan



It is Overdraft Facility which can be repaid any time. Interest will be charged only on daily Outstanding Amount



No Prepayment Penalty



The loan amount depends on the security of the borrower

## Revenue Sharing

Product	Base rate	Sharing given to Branches
Loan Against Shares	10.50%	Above Base Rate
Loan Against Mutual Fund	10.50%	Above Base Rate
Loan Against Promoter Funding	12%	Above Base Rate
Loan Against IPO Funding	--	Case to Case basis
Loan Against Commodity Funding	10.50%	Above Base Rate
Broker Funding	10.50%	Above Base Rate
ESOP Funding	10.50%	Above Base Rate
Loan Against Bonds	10.50%	Above Base Rate

Client can take Additional Leverage & use Loan amount to Invest in the Market which will help branches to increase their brokerage as well

## 1. Loan Against Shares

Loan Against Shares is a Secured Loan facility against Equity shares.

Borrowers / Clients are required to Pledge the shares in ARGFL DP against the Loan taken. Client will have the Ownership in his name & all the benefits like - Dividend, Bonus, Right issues will remain with him

- Loan is provided for Maximum - **50% on the value of Approved Shares**
- Maximum Loan amount - **Rs.40 crores**
- Separate Bank account is opened for the purpose of LAS with HDFC Bank

## 2. Loan Against Promoter Funding

Promoter funding is offered to promoters of the companies against their share holding in their respective company. With the help of this facility the promoter can increase the share holding or use in **expansion and diversification of the business**

- Promoter Pledge his Shares in favor of ARGFL
- Funding is Provided on **Single scrip**
- Margin - Minimum 50%
- Structured Funding is also done - **Shares + Properties**

## 3. Loan Against Mutual Funds

It has a similar benefit as that of Loan against Shares. This Loan is provided against Equity & Debt Mutual Fund. Indian Mutual Fund industry's Avg. Assets Under Management (AAUM) stood at **Rs. 23.43 Lakh Crore** (INR 23.43 Trillion)

- Loan is provided for Maximum - **50%** on the value of **Approved Equity** Mutual Fund
- Loan is provided for Maximum - **80%** on the value of **Approved Debt** Mutual Fund
- Loan given on both Physical as well as Demat Mutual Fund
- Incase of single Mutual Fund, minimum AUM should be more than 500 crores of the Scheme

## 4. Loan Against Commodity Funding (LAC)

Loan is sanctioned against the Commodities maintained in DEMAT account of the client (Other than Perishable commodity). All other benefits of LAC is similar to LAS

- Commodity should be in **Demat mode** (COMTRACK)
- Loan tenure upto 1 month before validity / final expiry date.
- Customer need to Pledge the same in favor of ARGFL
- Funding is done upto **70%** on value of Commodity

## 5. IPO Funding

Initial Public offers (IPOs) are one of the rewarding investment opportunities available to investors in India. Good amount of profits can be earned in a very short term (7 to 10 days) by investing in IPOs

- Funding done as per ARGFL approved IPO
- Existing LAS account
- DP Account to be with Anand Rathi Group
- Maximum Loan Amount - **Rs.40 Crore**
- Margin **Minimum 1%**, based on total subscription in IPO ( Margin money to be paid upfront before Application bidding )
- Interest Applicable for Minimum 7 days

## 6. Broker Funding

Loan is provided to Brokers for funding against Shares Pledged in favor of ARGFL

- Existing LAS Account
- Loan Provided to Brokers Against shares
- Maximum Loan amount - **Rs.40 Crore**
- Loan is provided for Maximum- 50% on the value of Approved Shares



## 7. ESOP Funding

Financing available to easily subscribe to Employee Stock Options (ESOPs) entitlement on the exercise date

- Letter from Company regarding “Employees stock option plan - Letter of offer cum Optional Agreement”
- Compulsory Demat account with Anand Rathi Group
- ESOP / Allotment / Grant letter from employer confirming (HR Confirmation Letter) the entitlement of shares and vesting details for the respective employees
- NBFC will inform to employer about the staff availing the loan facility from us against ESOP granted to him
- Client will provide loan disbursement request letter along with bank details
- NBFC will issue Loan sanction letter to client and post signed by him Loan is disbursed to employer Bank account for release of his ESOP shares

## 8. Loan Against Bonds

Bonds to be in Demat mode

Lien to be Marked in favor of ARGFL

- Loan is provided for Maximum - **80%** on the value of **Bonds (E.g. - NHAI, NABARD, Indian Railway Finance Corporation )**
- Bond Maturity tenure date < 36 months at the time of providing Loan
- Three months before the maturity date letter send to customer for Loan Re-Payment & Removal of lien, if not done at customer end, then ARGFL will invoke & get the maturity collected & Credit the amount in Customer Loan Account post deduction of Loan amount

# Loan Against Property Facility



Sr. No.	Particulars	Details
1	Target segment	Self Employed – Businessmen /Traders / Manufacturers/ Proprietors/Professionals
2	Loan amount (in Rs.)	Rs.25 lacs - Rs.500 lacs
3	Loan Tenure (in years)	10 years to 15 years
4	Product suite	Vanilla Income Gross Profit Gross Receipts Lease Rental Discounting

Particulars	Details
<b>Property Type</b>	<b>Loan to Value Ratio</b>
Self Occupied Residential Property	70%
Self Occupied Commercial Property	65%
Mixed Usage Property	60%
Commercial Rented Property	60%
Commercial Vacant Property	50%
Residential Rented Property	65%
Residential Vacant Property	60%

- Property outside City/ Municipal limit of location
- Industrial property with heavy machineries installed & workers more than 30
- Plot of land
- Property not well maintained and requires substantial repairs
- Property constructed on agricultural land / farm land
- Any building of schools, colleges, hospitals
- Property already mortgaged with other bank 2nd charge
- Property being used as high risk activities like Bar, Lottery business, collection agency, cable operator, money lender office etc.
- Hotel/Resort property

To know more contact



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*Thank You*