

Tata Capital introduces Digital ‘Loan Against Mutual Funds’

Mumbai, September 14, 2021: Tata Capital Ltd, the flagship financial services company of the Tata Group announces the launch of ‘Loan Against Mutual Funds’ (LAMF), an industry first end-to-end digital offering. Customers can avail quick and hassle-free loans ranging from Rs 5 lacs and Rs 2 crores.

Tata Capital’s digital loan offering is provided against a wide range of equity and debt schemes across mutual funds. Customers can avail the loan amount by marking a lien on the mutual fund units which are managed by various asset management companies. Backed by technology and analytics, LAMF is a personalized product to meet the diverse fund requirements of the customer. The loan amount is customized based on the value of the units in the mutual fund folio and tenure.

As reported by AMFI, the Indian Mutual Fund Industry’s AUM has grown from 15.18 trillion as on July 31, 2016 to ₹35.32 trillion as on July 31, 2021, more than 2-fold increase in a span of 5 years. Given the exponential growth in this investment category, LAMF is best suited for customers to meet their personal or business funding requirements. Most importantly, the customer continues to hold the mutual funds portfolio and can enjoy its benefits as well. The customer does not require to redeem the portfolio and pays interest only on the applied loan amount.

The key benefits of Tata Capital’s Digital LAMF are:

- End-to-end online journey – onboarding to disbursement
- Loan can be applied as an overdraft facility or as a term loan
- Auto renewal facility available for tenure exceeding one year (subject to review of the mutual fund portfolio)
- Onboarding journey is completed within minutes
- Online lien marking of Mutual Funds via CAMS API
- Service portal comprises features for disbursement, drawdown, additional pledging and de-pledging.
- Online execution of documents

- Customer enjoys the benefits of growth and dividend received from the MF portfolio

Speaking on the launch of LAMF, **Abonty Banerjee, Chief Digital Officer, Tata Capital** said, “Mutual funds as an investment category has shown tremendous growth over the last decade and continues to gain momentum. Our latest digital product gives customers an opportunity to easily meet their fund needs in a seamless manner, even while retaining control over their portfolio. This is in line with our strategy of constantly offering innovative products which offer customer convenience.”

Customers applying for Loans Against Mutual Funds can simply log on to <https://www.las.tatacapital.com/online/loans/las/apply-now-las-loan>.

About Tata Capital Limited

Tata Capital Limited, a holistic financial services provider caters to the diverse needs of retail, corporate and institutional customers, directly or indirectly through its subsidiaries. For more information about Tata Capital, please visit www.tatacapital.com.

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