

# PRODUCT GUIDE





Axis Bank's Loan Against Property provides loan against residential and commercial properties. This loan allows availing instant finance for all the personal and business needs and ensures every dream is achieved.

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## Schedule of charges for Asset power (LAP)

Description of Charges*	Asset Power (Loan Against Property)
Loan Processing Charges	1% of loan amount or Rs. 10,000 (whichever is higher)
Part Payment	1) If any of the borrower is a non-individual - 3% will be charged if the amount pre-paid exceeds 25% of the principal outstanding during a quarter - Otherwise no prepayment penalty will be charged - Quarter refers to calendar quarter. No Prepayment will be allowed in the first quarter after taking the loan 2) If all borrowers are individual - Nil
Foreclosure Charges	1) If any of the borrower is a non-individual: - 3% will be charged on the principal outstanding 2) If all borrowers are individuals - Nil
Penal Interest	Penal interest @24% per annum i.e. @2% per month on the overdue Installments
Stamp Duty & other statutory charges	As per applicable laws of the state
Cheque Bounce Charges	Rs. 500/- per instance
Cheque Swapping Charges	Rs. 500/- per instance
Duplicate Statement Issuance Charges	Rs. 250/- per instance
Duplicate No Dues Certificate / NOC	Rs. 500/- per instance
Issuance Charges for Photocopy of Title Deeds	Rs. 250/- per document set
Credit Report Issuance Charges	Rs. 50/-
Non-utilization charges for overdraft facility (applicable only for Straight Line Overdraft facility)	NA
Renewal Charge for Overdraft Facility (applicable for Dropline and Straight Line Overdraft facility)	NA

\*Goods and Services Tax (GST) will be charged extra as per the applicable rates, on all the charges and fees (wherever GST is applicable).

Overdraft Against Property	Loan Against Rent Receivables
1% of loan amount or Rs. 10,000 (whichever is higher)	1% of loan amount or Rs. 10,000 (whichever is higher)
No Part Payment Charges	1) If any borrower is non-individual - 3% will be charged if the amount pre-paid exceeds 25% of the principal outstanding during a quarter - Otherwise no prepayment penalty will be charged - Quarter refers to calendar quarter. No Prepayment will be allowed in the first quarter after taking the loan 2) If all borrowers are individual - Nil
2% will be charged on the limit set for the specific year in which the limit is being foreclosed	1) If any of the borrower is a non-individual: - 3% will be charged on the principal outstanding 2) If all borrowers are individuals - Nil
Penal interest @24% per annum i.e. @2% per month on the overdue amounts	Penal interest @24% per annum i.e. @2% per month on the overdue Installments
As per applicable laws of the state	As per applicable laws of the state
Rs. 500/- per instance	Rs. 500/- per instance
Rs. 500/- per instance	Rs. 500/- per instance
Rs. 250/- per instance	Rs. 250/- per instance
Rs. 500/- per instance	Rs. 500/- per instance
Rs. 250/- per document set	Rs. 250/- per document set
Rs. 50/-	Rs. 50/-
If average quarterly utilization is <25% of drawing power then quarterly 0.10% will be charged on the difference between actual average utilization and expected utilization (i.e. 25%)	NA
0.5% of the drawing power set or Rs. 5,000/- whichever is lower plus applicable GST should be charged at the time of each renewal of limit	NA



As directed by the Reserve Bank of India, vide circular DBOD. No.1 cg.\o. BC.65 / 09.07.005 / 2006-07 dated March 6, 2007; the Bank has adopted modified Fair Practice Code for lenders as approved by the Board of Directors. The details of which can be downloaded from our website.

(URL: [www.axisbank.com/retail/loans/personal-loan/useful-links](http://www.axisbank.com/retail/loans/personal-loan/useful-links))



## Frequently Asked Questions (FAQs)

### 1. Where do I enquire about my Loan Account?

You can view your Loan Account for statements, repayment schedule, etc. online on [www.axisbank.com](http://www.axisbank.com). Use your Axis Bank Net Banking Login ID & Password to access your Loan Account online. Alternatively, you can contact customer care representative at the nearest Axis Bank Loan Centre for any queries on your Loan Account

### 2. How can i repay my loan EMI's ?

- a) Standing Instruction (SI): This mode can be used if your have an existing Savings / Salary or Current Account with Axis Bank. You may wish to open a Savings Account with Axis Bank to use this option. Your EMI amount will be debited automatically at the end of the monthly cycle from the Axis Bank account you specify
- b) NACH: This mode can be used if you have a non-Axis Bank account and would like pay your EMI's to be debited automatically at the end of the monthly cycle from this account

**3. How can I change the Repayment Account?**

You can change your repayment mode by visiting your nearest Axis Bank Loan Centre.

**4. Are there any Security cheques / NACH Mandates / SI Mandate to be submit for changing Repayment Mode?**

Yes, Security cheques have to be issued along with cancel cheque from the new repayment account and NACH Mandates / SI Mandate have to be submitted to change the Repayment Mode. Please carry the cheque book for issuance of security cheque & cancel cheque. This has to be submitted at the nearest Axis Bank Loan Centre.

**5. What is Pre-EMI interest?**

Pre-EMI interest is the interest on the loan amount disbursed by the Bank. It is payable every month from the initial date of disbursement until the commencement of the EMI payments. This is only applicable for Term Loan in Loan Against Property.

**6. How often shall I get my Loan Account statements?**

For Term Loan, consolidated loan statement would be sent to you annually & for Overdraft Facility in Loan Against Property, monthly statements would be sent at your registered correspondence address.

**7. Can I switch between Floating and Fixed Rate of Interest, during my loan tenure?**

No. The bank offers only a floating rate of interest under Loan Against Property.

**8. How do I know about any change in Equated Monthly Installment (EMI) for my Loan Account?**

An EMI change depends on change in the interest rates and remaining time period of your Loan Account. In case of any EMI change due to interest rate fluctuation, the same will be visible on mobile app. You shall receive intimation on your registered mobile number.

**9. In case of any Interest Rate change, can I have my loan EMI constant?**

Yes, in case of any interest rate change, by default only your loan tenure changes. However, Axis Bank has the discretion to change your EMI instead of loan tenure. You shall receive intimation about the change at your registered correspondence address. The instructions forwarded at your registered address shall be construed as actual intimation and shall be treated as deemed notice given by bank to its customers.

**10. Can I make part payments on my Loan Account? Are there any charges?**

Yes, you can make part payments of outstanding principal loan amount due with pre-payment charges of 3% of the principal repaid and reduce your loan tenure. However if you prepay 25% of the principal outstanding in a quarter, there are no pre-payment charges. Part payment, also called part pre-payment can be made at nearest Axis Bank Loan Centre.

**In case of part payments**

a) Payments made should be equal to minimum of One EMI (Equated Monthly Installment)

- b) Payments to be preferably made at the Loan Centre
- c) In case customer visits for part payment or EMI cycle date change prior to first demand post first disbursement availed, then any rephasing prior to first demand is not allowed
- d) Once tenure is reduced due to part payment; at a later date, increasing tenure by reducing EMI will not be permitted
- e) Part payment benefit will be affected on the loan account from the date of credit of funds in bank account. In exceptional scenarios, when the payments are adjusted after the payment credit date, the due benefit will be passed on to the customer by crediting the respective interest amount in the loan account and reducing the principal and tenure thereafter

#### **Applicable for partly disbursed loans**

- a) Part payments are not recommended as it may lead to closure of account
- b) In the event of any rephasing (rate change, EMI change, part payment etc.) in a particular month, requests for part disbursement or EMI commencement will be executed only after the next cycle (due) date

### **11. How do I close my Loan Against Property account?**

Before we process a foreclosure, all outstanding dues must be cleared. So we request you to first check for and clear any remaining amount that may be payable towards your loan by requesting a foreclosure statement from your nearest Axis Bank Loan Centre. Once all outstanding dues have been cleared, please submit a foreclosure request at the Loan Centre, and we will begin processing your request. To check the charge applicable for the foreclosure, please read the Schedule of Charges section on our website and page no. 2 of this Product Guide.

Request you to render the exact amount as per the foreclosure letter issued by the loan centre. Kindly pay by local cheque / DD No. outstation cheques are accepted.



## Straight Line Overdraft Facility – (FAQs)

### **1. My loan amount is Rs. 100 Lakhs for 10 years. What is my sanction limit?**

The sanctioned limit represents the approved loan amount i.e. Rs. 100 Lakhs for your loan. The sanction limit determines the maximum amount you can avail on disbursement.

### **2. What is Drawing Power / Drawing Limit?**

Drawing limit is amount to the extent the customer can withdraw funds from his OD Account during the tenure of the loan. As a feature of the product your drawing limit would remain constant throughout the entire tenure of the loan subject to terms and conditions mentioned in the agreement.

### **3. I am a Non-Resident Indian. Can I avail a loan under Straight Line Overdraft facility?**

No, you will not be eligible to take a loan under Straight Line Overdraft facility.

### **4. Will I be paid interest if I keep a balance over and above the Drawing Limit?**

No interest benefit is provided for any funds parked in your account over and above the drawing limit.

### 5. Under what criteria will my overdraft limit remain the same?

The renewal of the OD facility would happen at the end of 12 months starting from the date of account opening / last renewal date depending on utilization and performance. If highest utilization in your account during the review period is more than 50% of the drawing power then the overdraft limit will remain the same.

### 6. Under what criteria will my overdraft limit be reduced?

Based on the below utilization behavior of an account the limit will be reduced.

Limit Reduction Criteria	
A) In case of unsatisfactory conduct and irregular payments	Limit will be reduced by 25%
B) If highest utilization in account during the last 10 months is within the range of 25% to 50% of drawing power	Drawing Power will be reduced by 25%
C) If highest utilization in account during the last 10 months is within the range of 0% to 25% of drawing power	Drawing Power will be reduced by 50%

### 7. Under what criteria my Straight Line Overdraft Account will not get renewed?

The renewal of the OD facility would happen at the end of 12 months starting from the date of account opening / last renewal date depending on utilization and performance.

The criteria for non-renewal of account will be either of the following:-

- Default on interest repayment on more than 2 occasions during the review period
- Over limit utilized on more than 2 occasions during the review period

**8. My limit at the time of sanctioning the loan was Rs. 1 Cr. Hence my drawing power for the 1<sup>st</sup> year was Rs. 1 Cr. After the 1<sup>st</sup> year my limit is reduced by 25% on account of my highest utilization during the last 10 months being in the range of 25% - 50% of the drawing power. My revised limit for the 2<sup>nd</sup> year was Rs. 75 Lakhs. Under what circumstances will limit be enhanced to Rs. 1 Cr. again?**

During the review period in the 2<sup>nd</sup> year if your highest utilization is more than 75% of the drawing power, that is Rs. 56.25 Lakhs (75% of Rs. 75 Lakhs) then your limit will be enhanced to Rs. 1 Cr. again in the 3<sup>rd</sup> year.

**9. What is the definition of Complete Quarter in Non-Utilization Charges?**

A complete quarter is considered i.e. Jan to Mar, Apr to Jun, Jul to Sept, Oct to Dec. If a file is logged in the middle of a month (e.g. 15<sup>th</sup> Sept, 2017) then the first complete quarter for this customer would be Oct – Dec of 2017 for calculation of non-utilization charges.

**10. My overdraft limit is Rs. 2 Cr. What is my expected utilization for a quarter?**

Expected quarterly utilization is 25% of the drawing power. A complete quarter is considered. In your case the expected utilization for a complete quarter is Rs. 50 Lakhs (25% of Rs. 2 Cr.)

**11. How many times will I be charged for non-utilization charges?**

A Customer will be charged every quarter if his / her average quarterly utilization is less than 25% of the drawing power, then quarterly 0.10% will be charged on the difference between the actual average quarterly utilization and expected utilization i.e. 25% of the drawing power.

**12. I availed overdraft facility of Rs. 1 Cr. on 15<sup>th</sup> Jan, 2017. When will I be scrutinized for non-utilization charges?**

If a customer's average quarterly utilization is less than 25% of the drawing power then quarterly 0.10% will be charged on the difference between the actual average quarterly utilization and expected utilization i.e. 25% of the drawing power. If you have opened an account on 15<sup>th</sup> Jan, 2017 in this case the customer's utilization behavior will be scrutinized for charges from the first complete quarter Apr to Jun, 2017.



### **1. My loan amount is Rs. 100 Lakhs for 10 years. What is my sanction limit?**

The sanctioned limit represents the approved loan amount i.e. Rs. 100 Lakhs for your loan. The sanction limit determines the maximum amount you can avail as disbursement.

### **2. My loan amount is Rs. 100 Lakhs for 10 years. What is Drawing Power / Drawing Limit?**

Drawing limit is amount to the extent the customer can withdraw funds from his OD account during the tenure of the loan. As a feature of the product your drawing limit would be reduced every 12 months from the date of setting the drawing limit on overdraft facility.

If the drawing power at the beginning of the facility is 'Rs. 100 Lakhs' and the term of the facility '10' years, then the reduction in the drawing limit every year will be 'Rs.  $100 / 10 =$  Rs. 10 Lakhs'. Hence for first 12 months from the date of setting the drawing limit, your drawing limit will be equal to the sanctioned amount i.e. Rs. 100 Lakhs. In the start of the 13<sup>th</sup> month your drawing limit would reduce to Rs. 90 Lakhs (Rs. 100 Lakhs - Rs. 10 Lakhs). This will further reduce to Rs. 80 Lakhs (Rs. 90 Lakhs - Rs. 10 Lakhs) at the start of the 25<sup>th</sup> month and so on. At the end of the 120<sup>th</sup> month your limit will be zero.

### **3. What is overdraft renewal period in case of Drop Line Overdraft facility?**

The renewal of the OD facility will happen at the end of every 12 months starting from the date of account opening / last renewal date.

The criteria for renewal of account is mentioned below:

- Not more than 2 instances where interest due is not paid during the review period
- Not more than 2 instances where over limit is utilized during the review period

#### **4. Under what criteria my OD LAP Account will not get renewed ?**

The renewal of the OD facility would happen at the end of 12 months starting from the date of account opening / last renewal date.

The criteria for non-renewal of account will be either of the following:-

- Default on interest repayment on more than 2 occasions during the review period
- Over limit utilized on more than 2 occasions during the review period

#### **5. Will I be paid interest if I keep a balance over and above the Drawing Limit?**

No interest benefit is provided for any funds parked in your account over and above the drawing limit.

#### **6. I want to change my yearly limit reduction amount. Will I be allowed to do so?**

Drawing limit is set for your OD facility as per the tenure of the facility availed by you. E.g. If the drawing power at the beginning of the facility is 'Rs. 100 Lakhs' and the term of the facility '10' years, then the reduction in the drawing limit every year will be 'Rs.  $100 / 10 =$  Rs. 10 Lakhs'.



1860 419 5555 or 1860 500 5555  
(local charges applicable)

-or-



[axisbank.com/support](http://axisbank.com/support)

-or-



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