

Gold Loan Information:-

The following methodology is adopted by our Bank for determining the net weight of gold and silver content in eligible gold and silver ornaments tendered by the borrower for availing gold loan/overdraft. The price used to value the gold and silver content of eligible ornaments is considered for determining the Loan-to-Value (LTV) ratio.

Procedure for Determining Loanable Value for Gold Loans:-

The following procedures are followed by our Bank to determine the loanable value for gold loans:-

1. Whenever a customer is in need of finance against gold and silver ornaments, he/she approaches the nearest branch of the Bank.
2. Based on the customer's application, the branch processes the application for a gold or silver loan against eligible ornaments.
3. Our Bank provides finance against gold and silver ornaments through the following existing gold loan schemes:
AGOD – Amber Gold Against Overdraft
ABG – Amber Bullet Loan Against Gold
AGL – Amber Gold Loan
4. The valuation of gold and silver ornaments is carried out by the branch through empanelled valuers.
5. **Valuation and Assaying of Gold and Silver collateral**
Gold or silver accepted as collateral shall be valued based on the reference price corresponding to its **actual purity (carat age)**.
For this purpose, the lower of
(a) **the average closing price for gold or silver**, as the case may be, of that specific purity over the preceding 30 days, or
(b) **The closing price for gold or silver**, as the case may be, of that specific purity on the preceding day, as published either by the **India Bullion and Jewellers Association Ltd. (IBJA)** or by a commodity exchange regulated by the **Securities and Exchange Board of India (SEBI)** shall be used. If price information for the specific purity is not directly available, the lender shall use the published price available for the nearest available purity and proportionately adjust the weight of the collateral based on its actual purity to arrive at valuation.
6. The net weight of the same ornaments is exclusive of Stones, lac, Alloy, Strings and Fastenings etc. No damage, breakage or defects noticed in the said ornaments.