

## Assaying and Valuation of Gold Collateral:

### The Gold Collateral Assaying/ Appraising Methods:

- Touchstone Test
- Nitric Acid Test
- Gold Purity Testing Machine (Karatmeter)
- AI based Gold Purity

### The Gold Collateral Valuation Method:

- Gold accepted as collateral shall be valued based on the reference price corresponding to its actual purity (caratage).
- The lower of (a) the average closing price for gold of that specific purity over the preceding 30 days, or (b) the closing price for gold 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 Bank shall use the published price available for the nearest available purity (lower) and proportionately adjust the weight of the collateral based on its actual purity to arrive at valuation.
- Only the intrinsic value of the gold contained in the eligible collateral shall be reckoned and no other cost elements, such as precious stones or gems, shall be added thereto.

Please visit nearest Branch for detailed Loan to Value (LTV) ratio against the Gold accepted as Collateral. LTV varies based on type of loan such as Income Generating Activity/ Consumption Loans as well as repayment method like Monthly Interest Payment/ Bullet Payment.