

# CREDIT POLICY FOR LOAN AGAINST GOLD

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## Document Contact Details

Role	Designation
Author	HO Gold Loan Business – Wizzmoni India
Reviewer	Head Internal Audit & Legal, CFO
Approver	Director & CEO / Board Of Directors

## Document Distribution List

Sl. No	Designation
1	All employees of Wizzmoni Financial Services Ltd and its Associates/Affiliates and Subsidiaries.
2	All the shareholders of Wizzmoni Financial Services Ltd and its Associates/Affiliates and Subsidiaries.
3	All members of the Board of Directors and other members forming part of the Management of Wizzmoni Financial Services Ltd.

## Document Control

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## Introduction

The primary objective of this policy is to establish a comprehensive framework for extending credit against gold ornaments, integrated within Wizzmoni's overarching business strategy. By leveraging a dedicated sales structure and our existing branch network, we aim to provide customers with a convenient, efficient, and transparent method of accessing liquidity through the pledging of gold.

This policy serves as the fundamental guiding document for senior management, ensuring that lending operations are conducted within defined risk tolerances. By balancing commercial sustainability with prudent credit assessment, this framework is designed to ensure long-term profitability, operational stability, and the safeguarding of the organization's assets.

## Objectives

The primary objectives of the Gold Loan Credit Policy are to:

- **Maintain Portfolio Health:** Ensure an optimal balance between loan growth, profitability, and high asset quality through rigorous risk assessment.
- **Ensure Regulatory Compliance:** Strictly adhere to RBI directives and statutory requirements, including but not limited to Tiered Loan-to-Value (LTV) ratios, Capital Adequacy, and interest rate transparency.
- **Manage Exposure Risks:** Establish clear limits and monitoring controls for large exposures and concentration risks within the gold loan portfolio.
- **Standardize Operations:** Implement robust appraisal standards, valuation procedures and internal controls to minimize operational leakage.
- **Safeguard Collateral:** Protect pledged ornaments from loss, theft, or damage through best-in-class storage, insurance, and audit mechanisms, ensuring timely return to the customer upon repayment.
- **Uphold Ethical Lending:** Inculcate 'internal values' and fair practice codes that prioritize transparency, borrower communication in local languages, and fair auctioning processes.
- **Enhance Human Capital:** Continuously improve the credit appraisal skills and technical proficiency of employees and officers involved in the gold lending lifecycle.
- **Drive Competitive Stability:** Enable the organization to remain competitive in the market through innovative, tech-driven solutions while maintaining long-term institutional stability.

## Product Features

### Product Definition

Gold Loan (Loan against Gold – LAG): A gold loan is a secured credit facility extended to borrowers against the pledge of gold ornaments as collateral.

- **Purity Standards:** Eligible collateral includes gold jewellery/ornaments with a purity ranging from 18 to 24 carats.
- **Valuation & LTV:** The loan amount is determined by the intrinsic value of the gold (excluding stones and making charges), based on the lower of the average closing price of the previous 30 days or the current market price of 22K gold as per the Indian Bullion and Jewellers Association (IBJA). The Loan-to-Value (LTV) ratio shall be maintained within the regulatory cap (currently 75% for general gold loans), subject to tiered adjustments based on the specific loan scheme or amount.

### Loan Tenure

All gold loans are sanctioned as Term Loans or Demand Loans for a maximum period of 12 months from the date of sanction, unless a specific long-term scheme (up to 24 months) is approved under specific risk-mitigation frameworks.

*Regulatory Note:* While 24 months is commercially possible, the standard RBI benchmark for "bullet repayment" and general gold loans is 12 months. If 24 months is used, it often requires periodic interest servicing or higher provisioning.

### Borrower Eligibility Criteria

- **Category :** Resident Indian Individuals

- **Ownership** : The borrower must be the lawful owner of the gold ornaments offered as security. A self-declaration of ownership is mandatory for all applicants.
- **KYC Compliance**: Borrowers must satisfy all Know Your Customer (KYC) and Anti-Money Laundering (AML) guidelines as prescribed by the RBI, utilizing OVDs (Officially Valid Documents) or C-KYC/e-KYC processes.

Note : For total exposure exceeding ₹5,00,000, the branch must obtain and record a simplified 'Income Declaration' or 'Income Proof' (such as a bank statement or ITR) to ensure the borrower has the repayment capacity for the higher debt load.

### Purpose of Loan (End Use)

Loans may be granted for legitimate personal or business requirements, including but not limited to:

- Medical emergencies and healthcare.
- Educational expenses.
- Working capital or business expansion.
- Marriage and social ceremonies.
- General personal/household consumption.

*Prohibited Use* : Loans shall not be granted for speculative purposes, equity market investments, or any activity deemed illegal/unlawful under Indian law. The borrower shall provide a declaration regarding the end-use of funds at the time of application.

### Ineligible Entities

Credit facilities under this policy shall not be extended to:

- Non-Resident Indians (NRIs).
- Hindu Undivided Families (HUFs).
- Trusts, Societies, or Clubs.
- Partnership Firms and Private/Public Limited Companies (unless applying under a specific Corporate Gold Loan product line).

### Borrower Age Norms

- Minimum Age: 18 Years
- Maximum Age: 70 Years at the time of loans sanction

### Gold Loan Schemes

As circulated from time to time, duly assessing market conditions, and based on the approved scheme document.

### Loan-to-value (LTV)

The maximum permissible loan amount is determined by a tiered structure based on the total exposure per borrower. This ensures higher liquidity for small-ticket borrowers while maintaining prudence for larger exposures.

### Tiered LTV Limits

Total Consumption Loan Amount Per Borrower	Maximum LTV Permissible
Up to ₹2.5 Lakh	Up to 85%
Above ₹2.5 Lakh to ₹5 Lakh	Up to 80%
Above ₹5 Lakh	Up to 75%

*Note on Bullet Repayment*: For loans where interest is paid at maturity, the LTV must be calculated on the Total Repayable Amount (Principal + Projected Interest)

### Ongoing Maintenance (Margin Calls)

**Real-Time LTV Monitoring** The company shall monitor the Loan-to-Value (LTV) ratio on an ongoing basis. This calculation must account for the total outstanding amount (Principal plus Accrued Interest) against the current

market value of the pledged gold. For "Bullet Repayment" loans, interest must be accrued and factored into the LTV daily to prevent unauthorized breaches due to market volatility.

**Margin Call Trigger and Customer Notification** If the LTV ratio exceeds the regulatory or internal threshold of **85%** due to a decline in gold prices or interest accumulation, a **Margin Notice** shall be triggered immediately.

- The borrower must be informed in their **preferred regional language** via SMS and registered communication channels.
- The borrower shall be given a specific timeframe to restore the LTV by either making a part-payment or providing additional collateral.

**Audit Oversight and Rectification** The Internal Audit Department is responsible for verifying the accuracy of the LTV monitoring system during periodic inspections.

- **Audit Discrepancies:** If the audit identifies accounts where the LTV has breached the cap without the issuance of a margin notice, it will be classified as a compliance failure.
- **Corrective Action:** For any such identified accounts, the branch must initiate immediate rectification measures. The Audit Department will track these "Out-of-Order" accounts until they are brought back within the permissible LTV limits or closed through repayment.

## Rate per Gram (RPG) & Valuation Methodology

The valuation of gold ornaments shall be standardized across all branches using the following regulatory pricing mechanism:

### Pricing Benchmark

The gold price used for valuation shall be the lower of:

1. The average closing price of 22-carat gold for the preceding 30 days as quoted by the India Bullion and Jewellers Association Ltd. (IBJA).
2. The previous day's closing price (PM Rate) of 22-carat gold as quoted by the IBJA.

### Purity Adjustment

- **Standardization:** All gold must be converted to its 22-carat equivalent before applying the RPG.

## Quantum of Finance & Assessment of collateral

The eligible loan amount is determined by the net weight and assessed purity of the gold ornaments, subject to the following conditions:

- **Minimum Loan Amount:** The minimum loan amount per pledge is ₹10,000
- **Maximum Loan Amount:** The maximum loan amount at customer id level is restricted to maximum of 1 crore subject to the Concentration of Credit limits defined in the General Guidelines.
- **Minimum Weight Requirement:** The minimum Gross weight of an ornament should be 1 gm
- **Mandatory Deductions:** \* The weight of pearls, diamonds, corals, or any other precious/semi-precious stones, or any foreign material (lac, thread, or base metal) must be strictly deducted from the Gross Weight to arrive at the Net Weight. Only the intrinsic value of the gold content shall be considered. No value shall be attributed to stones, "making charges," or the craftsmanship of the ornament.

## Interest, Fees & Charges

Interest and other charges levied on loans shall be governed by the interest rate policy approved by the Board. The Board, or a designated committee, will periodically review these rates and charges to ensure they align with business needs. Any adjustments to interest rates will be implemented prospectively.

Interest rates will be determined based on schemes formulated and amended by the Company. These rates will consider factors such as the cost of funds and risk assessment, with higher-risk loans generally incurring higher

interest rates. No loan will be granted at a rate below the Company's average cost of funds without specific Board approval.

Interest will be calculated for actual number of days the loan remains active from the loan disbursement date to the closure date. A year will be considered as 365 days for calculation purposes. For overdue accounts, interest will be compounded monthly.

The range of interest rates applicable to various gold loan schemes shall be displayed prominently in all branches and on the company website. Any change in the benchmark rate or spread shall be communicated to existing borrowers at least 30 days in advance if it adversely affects them.

*Key Fact Statement (KFS):* Wizzmoni must provide a KFS before sanction, including the Annual Percentage Rate (APR) —a single percentage representing interest plus all processing/valuation fees.

## Penal Charges

In the event of the borrower's failure to repay the loan, interest, and other charges by the due date or within the grace period, the Company may impose additional penal charges, as determined and communicated to the borrower in advance. No capitalization of penal charges is allowed.

## KYC & Essential Documents

- PAN: An Aadhaar-seeded PAN is mandatory for all loans.
- Identity and Address Proof:
  - Identity Proof: Driving License, Passport, Voter ID, Aadhaar Card, Ration Card, or PAN Card
  - Address Proof: Driving License, Voter ID, Aadhaar Card, Passport, Utility Bills (Electricity, Water, Telephone, Gas), Registered Sale or Lease Deed, Municipal Tax Receipt, or Bank Statement for the last 3 months with the customer's name and address
- Credit Score: A credit score check is mandatory if customer total loan exposure exceeds ₹2,50,000. The credit score report should be saved in the system for future reference. A credit report is valid for 6 months.
- Authorized CRM: An authorized CRM is a comprehensive record of a customer's verified and confirmed information. This includes PAN verification from the NSDL database, verification of address proof by physically examining the document, and verification of bank accounts (if applicable) using the penny drop method. Additionally, copies of all KYC and other relevant documents must be uploaded to the CRM. Gold loans can only be processed for customers with authorized CRMs. Currently the CRM authorisation process will be performed by a dedicated team from Head office.

## KYC Verification

Verifying original, officially valid documents (OVDs) for customer identity and address proof is mandatory. A stamp and seal should be affixed on the copy of the original seen and verified (OSV) proof, along with the concerned employee's signature. An OSV-stamped KYC copy is valid for 6 months only. If a customer wishes to avail a new loan after this period, a fresh OSV process must be conducted.

## Geo Limit

Gold loans can be sanctioned to customers residing within a 30km radius of the loan sanctioning branch. However, exceptions can be made for customers whose residential address, as per government ID proof, exceeds 30 kilometres. These exceptions can be granted if the customer can provide current address proof within a 30km radius (such as job proofs, utility bills, rental agreements, etc.) with the approval of the credit approval authority.

## Gold Ownership

Prior to loan disbursement, branch executives are required to inquire into and confirm the genuineness, capacity for ownership, and ownership of the gold jewellery provided by the borrower as collateral. In cases where the aggregate weight of the pledged ornaments surpasses 20 grams, a specific explanation regarding the origin of the gold (e.g., inheritance, gift, purchase) shall be obtained and recorded with the loan documentation.

## Detailed Gold Appraisal & Valuation Methods

Wizzmoni employs a dual-checking mechanism for all appraisals. The following methods are used to determine purity:

- **Rubbing on Touchstone:** The gold is rubbed on a black touchstone to leave a streak. The color of the streak is compared against "standard needles" (ranging from 18K to 24K). The reaction of the streak to specific acids confirms the fineness.
- **Sound Test:** Pure gold produces a prolonged, high-pitched ringing sound when dropped on a hard surface (stone/glass). A "dull" sound indicates the presence of base metals like lead or copper.
- **Weight & Density Test:** Gold's density (19.3 g/cm<sup>3</sup>) is significantly higher than most metals. Appraisers use precision scales and water displacement (if required) to identify heavy-core fakes.
- **Nitric Acid & Salt Water Test:** A small drop of Nitric Acid is applied to a scratch on the ornament. If the gold turns green, it is gold-plated base metal. If it turns milky, it is gold-plated silver. No reaction usually indicates high-purity gold.
- **Magnet Test:** Real gold is non-magnetic. Any attraction to a high-power magnet results in immediate rejection.
- **Finishing & Hallmarking:** Examination of BIS Hallmark signs and the quality of soldering.
- **Scratching & Destructive Test:** With borrower consent, small incisions are made to check internal purity. If an item is suspicious, a destructive cut may be performed to reveal internal alloys.

## Impermissible Gold Loan Security Items

Melted bars, primary gold, jewellery belonging to temples, churches, or other religious institutions, and items specified in the Company's updated negative list cannot be accepted as collateral.

### Negative List of Ornaments

# No	Ornament
1	Gold Biscuit, Gold Bar
2	Any non-wearable items such as crowns, swords etc. made in gold
3	Eye glass / Spectacle frames made in gold
4	Parts of Chapels / Shoes made in gold
5	Locketts made with God's faces
6	Gold items used as offerings in religions functions
7	Gold Sculptures made in different shape
8	Heavy ornaments like waist belt above 100 grams
9	Mangalsuthra
10	Ornaments with more than 50% stone weight
11	Ornaments below 18Kt purity

### Exceptions to Ornaments in Negative List

Branch heads are authorized to recommend certain items from the negative list if they meet the required purity standards. Zonal heads have the discretion to approve exceptions for negative items as specified below.

A mangalsuthra may be accepted as collateral, as an exception, only if it is pledged along with a group of other ornaments. In the case of a male borrower pledging a mangalsuthra, the branch team must perform an additional telephonic verification with the applicant's family members to confirm its authenticity.

Waist belts weighing more than 100 grams necessitate dual valuation by the branch team, in conjunction with a third-party valuation (such as a valuation report/quotation from a goldsmith, jeweller, testing centre, or a gold checking confirmation mail from a regional internal auditor or nearby branch head/LAG staff). This requirement extends to single ornaments (e.g., broad bangles, bangles) that exceed the approved weight.

A third-party valuation report is required to be submitted to the credit approving authority prior to loan sanctioning or disbursement. In exceptional circumstances, the credit approving authority may provide an exception to submit the report by the end of the business day on which the loan is disbursed.

In specific regions, such as Rajasthan, the Product Team may grant exceptions for ornaments where the weight deduction exceeds 50% of the gross weight. This provision accounts for local traditional jewellery (e.g., items containing significant amounts of thread, wax, or lacquer), where the net gold content is characteristically lower than the total gross weight.

## Credit Limit Approval Matrix

Credit Limit At Customer ID Level	Approving Authority
Up to 5 lakh	Branch Head / Branch In Charge
5 Lakh to 10 lakh	Regional Head
10 Lakh to 15 Lakh	Zonal Head
15 Lakh to 25 Lakh	Product Head
25 Lakh to 50 Lakh	CFO
Above 50 Lakh	CEO / Director

## Loan Authorization in LOS Application

After obtaining the required credit approval, according to the credit approval limits, the loan entry needs to be authorized in the 'Credway' application. Branch heads or branch in-charges can authorize loan entries up to ₹5 lakh per customer ID, while entries above ₹5 lakh require authorization from the Head Office Gold Loan Operations team.

## Safe Keeping of Collateral

Jewellery for each loan must be stored in individual, pre-numbered, tamper-proof packets. The loan details must be written on the packet, and the packet must be signed by the concerned staff and the Branch Head. The gold valuation slip must also be included within the packet along with the ornaments. These gold packets must be stored in the branch's safe vault under a dual-key operation system. Once a packet is placed in the vault, it may only be removed for renewal, closure, partial release, loan top-up, or audit purposes. Any removal of packets from the vault for reasons other than those listed above requires prior approval from the Product team or the Audit team.

## Partial Release of Pledged Collaterals

Partial release of pledged ornaments is permitted only upon a formal request and the presentation of the original Gold Loan Receipt or 'Pledge Document.' This facility is strictly prohibited if the original receipt is missing. All accrued interest, processing fees, and applicable charges must be settled according to the selected scheme prior to release.

To ensure adequate security, a mandatory re-appraisal of the remaining ornaments is required, and the revised loan amount will be determined by their current value. In cases where audit reports have identified purity or weight discrepancies in specific ornaments, those items must be released first before any other collateral can be withdrawn.

## Top Up / Over Draft (OD)

The original Gold Loan Receipt is mandatory for all physical top-up requests. Top-ups are granted subject to a fresh gold appraisal and credit checks, consistent with new loan application standards. All applicable processing fees, interest, and charges shall be applied according to the selected scheme.

Alternatively, borrowers may utilize the Overdraft (OD) facility via the company's web or mobile applications. These digital top-ups do not require the borrower's physical presence at the branch or the submission of additional documentation, provided the request meets the established digital lending criteria.

All digital top-ups and OD facilities shall comply with RBI's Digital Lending Guidelines. No 'private' data (contacts, media, etc.) shall be accessed via the mobile application, and all loan disbursements/repayments must flow directly

between the company's bank account and the borrower's verified bank account without any third-party pool accounts.

## Loan Closure and Release of Collateral

### Standard Closure and Documentation

Loan closure is finalized upon full repayment of the principal, interest, and applicable charges. To release the collateral, the borrower must surrender the original Gold Loan Receipt (Pledge Document) and provide valid identification. In accordance with RBI Directions, the company shall return the pledged ornaments within seven (7) working days of full settlement. Failure to release collateral within this timeframe will result in a penalty of ₹5,000 per day payable to the borrower or their legal heirs.

### Lost Loan Receipts and Authorized Representatives

If the original Gold Loan Receipt is lost, the borrower must complete the company's prescribed indemnity process before the collateral can be released. Collateral release may also be facilitated through an Authorized Representative, provided they present a valid Authorization Letter signed by the borrower, a copy of the borrower's ID, and their own original KYC documents. The company reserves the right to conduct telephonic or physical verification with the borrower prior to such a release.

### Deceased Borrower Claims

In the event of the borrower's demise, the pledged ornaments shall be released to the Nominee registered at the time of loan appraisal. In the absence of a nominee, the release will be processed for the Legal Heirs upon submission of a Death Certificate and necessary legal documentation (such as a Succession Certificate, Legal Heir Certificate, or an Indemnity Bond with a Letter of Disclaimer), subject to the company's internal claim settlement thresholds.

### General Release Conditions

The company ensures that all ornaments are returned in the same condition as pledged. Any ornaments flagged in audit reports for purity or weight discrepancies must be released and settled first before any other collateral. No prepayment penalties shall be levied for early closure of consumption loans, in compliance with Fair Practice Codes.

## Roll Over / Renewal Process

A Gold Loan may be renewed upon the request of the borrower at or before the maturity of the existing tenure, subject to the following conditions and internal controls:

- **Eligibility & Credit Assessment:** Renewal is permitted only for accounts classified as "Standard Assets." For loans exceeding ₹2.5 lakh, a fresh credit assessment and repayment capacity check must be conducted. For loans below ₹2.5 lakh, a simplified renewal process may be followed, provided the conduct of the previous account was satisfactory.
- **Mandatory Interest Settlement:** No loan shall be renewed or "rolled over" without the full settlement of all accrued interest and incidental charges of the existing loan. The renewal shall be treated as a fresh sanction, and a new loan agreement must be executed.
- **Re-Valuation & LTV Compliance:** The pledged gold must be re-valued at the prevailing market rate (based on the lower of the previous day's closing price or the 30-day average price as per IBCA/SEBI-approved exchanges). The renewed loan amount must strictly adhere to the tiered LTV caps: **85% for loans up to ₹2.5 lakh, 80% for ₹2.5–5 lakh, and 75% for loans above ₹5 lakh.**
- **Physical Verification:** At the time of renewal, a mandatory physical verification of the collateral stored in the vault must be performed by the branch manager or authorized officer to ensure the seal and weight remain intact as per the original pledge.
- **Documentation:** A fresh **Gold Purity Certificate** and a revised repayment schedule (in the borrower's preferred regional language) must be issued.

## Cash Repayment / Receipt Limit

The cash repayment limit for a customer in all his active loans together will be ₹2,00,000 only

## OTP Validation

Loan disbursement, Roll Over, Top Up, partial release & loan closing need to be validated with an OTP send to the registered mobile number of the customer.

## Spurious / Stolen Gold

Upon discovery of an attempted pledge of spurious or stolen gold by any customer, the branch is authorized to immediately report the incident to the Regional Head (RH), Zonal Head (ZH), Zonal Audit Head (ZAH), and the local police.

## Inspection on Pledged Loan Ornaments

The Internal Audit Department shall conduct periodic, risk-based inspections of all branches to ensure strict compliance with company policy and RBI directives. The audit scope includes:

- **Purity & Valuation:** Verification of the quality and purity of pledged ornaments, ensuring valuation follows the standardized 22-carat reference rate (lower of 30-day average or previous day's closing price). Auditors will confirm that gross/net weights and stone deductions are accurately recorded and disclosed to borrowers.
- **Physical Verification & Security:** 100% physical verification of gold inventory against digital records, ensuring the integrity of tamper-evident seals, dual-control storage protocols.
- **Credit & Regulatory Compliance:** Verification of adherence to tiered LTV limits (85%/80%/75%) and the mandatory repayment capacity checks for loans exceeding ₹2.5 lakh.
- **Operational Accountability:** Review of accounting procedures and the "Gold Release Register" to ensure collateral is returned within 7 working days of settlement.

## General Guidelines

### Safe Vault Operational Guidelines

To ensure the secure storage of gold packets, all branches are equipped with strong vaults. These vaults are operated (opened and closed) using two keys in a specific sequence, as outlined in the operating guidelines. The first set of keys is held by the Branch Head or Branch In-Charge, and the second set is held by the Cashier. To operate the safe (open or close the doors), both key holders must use their keys independently. The vault door must never be left unclosed or locked with only one key.

### Concentration of Credit

The Sanction amount of each single borrower shall be limited to 25% of Tier 1 capital of the company and for a group of borrowers the limit cannot be exceeded to 40% of Tier 1 capital.

### Timeline for Release of Collateral

Upon full repayment of the loan and settlement of all dues, the branch shall return the pledged gold ornaments on the same day of closure, but no later than 7 working days from the date of settlement.

In accordance with regulatory mandates, if the return of collateral is delayed beyond 7 working days due to reasons attributable to the company, a compensation of ₹5,000 per day shall be paid to the borrower for each day of delay. Borrowers must be notified of the specific reasons for any delay in their preferred regional language.

## Auction of Pledged Gold

In the event of a loan default, the company reserves the right to recover outstanding dues through a transparent public auction of the pledged collateral, conducted in accordance with the board-approved **Auction Policy**.

- **Transparency & Notice:** Before initiating an auction, a formal notice must be sent to the borrower in their preferred regional language. A public notice shall also be issued in at least two newspapers (one national and one regional).

- **Reserve Price:** To ensure fair value for the borrower, the reserve price shall be set at no less than **90% of the current market value** of the gold. If two consecutive auctions fail, the reserve price may be adjusted to a minimum of **85%**.
- **Auction Surplus:** Any surplus generated from the auction (after adjusting for the principal, interest, and legitimate auction costs) must be refunded to the borrower within **7 working days** of receiving the full auction proceeds.
- **Conflict of Interest:** To maintain integrity, neither the company nor its related parties shall participate as bidders in the auction.

## Gold Loan Files, Records & Registers

### Gold Loan Files

Branches must maintain secure files for loan documents undergoing various processes, to facilitate audits and verifications. These files include, but are not limited to: Active Loans File, Weekly Stock Report File, Auction File, and Closed Loans File.

### Gold Packing Report Register

The Gold Packing Report Register must record details of gold transferred to the vault room following loan disbursement, as well as details of packets stored after the renewal process.

### Gold Movement Register

Gold packet 'in' and 'out' movements should be recorded in the Gold Movement Register in real time, and the purpose of each movement should also be recorded. The vault key custodians should sign the record for every packet movement. The movement register should be kept only in the vault room.

### Key Movement Register

All vault key movements are to be recorded in the Key Movement Register, with signatures from both the old and new custodians, including the date and time. Ideally, key movement entries should be made under CCTV recording and after the new custodian verifies the secured gold inventory. The branch should keep the Vault Key Movement Register only in the vault room.

## Business Correspondents & Co-lending Arrangements

**Co-Lending Framework** The company engages in a co-lending arrangement with **DCB Bank** for gold loan originations under a **20:80 fund sharing ratio** (20% by the Company and 80% by DCB Bank).

- **Loan Lifecycle:** While the funds are pooled, the Company acts as the primary interface for the borrower, managing the sourcing, gold appraisal, and collection processes.
- **Interest & LTV:** The interest rate and Loan-to-Value (LTV) ratio shall be a weighted average or a mutually agreed-upon rate that remains compliant with RBI's ceiling for both entities.
- **Customer Service:** All statutory disclosures, including the Fact Sheet and the 7-day collateral release timeline, apply to co-lended loans. The Company remains responsible for the physical custody of gold and the timely return of collateral upon full settlement.

**Business Correspondents (BC)** As of the current policy date, the Company **does not utilize Business Correspondents** for gold loan sourcing or recovery. Any future appointment of BCs shall be subject to a board-approved policy, ensuring strict adherence to RBI's "Know Your BC" (KYBC) norms and the prevention of unauthorized outsourcing of core functions like gold appraisal and valuation.