



# **NKGSB Co-operative Bank Ltd.** (Multi-State Scheduled Bank)

## **Lending Against Eligible Gold Collateral**

### **Other Features -**

#### **Purpose:**

For any legitimate purpose, not speculative purpose

#### **Margin:**

<b>Repayment Method</b>	<b>Margin % on Fair Value #</b>
Bullet Repayment	35%
Repayment with EMI option & monthly interest servicing in overdraft facility	25%

# the fair value arrived at through the prevailing Benchmark Rate (announced by the Bank from time to time) of the security to be pledged.

Methodology adopted for determination of net weight of the gold content of the eligible collateral and the price used to value the gold content of the eligible collateral for determination of Loan To Value (LTV) ratio.

<b>Benchmark Rate in Rupees</b>	<b>Repayment Method</b>	<b>LTV to be Applied</b>	<b>Net Wt. of Gold</b>
11,000/- (At present)	Bullet Repayment	35%	10 gms
	Repayment with EMI option & monthly interest servicing in overdraft facility	25%	10 gms

E.g. If Gold Loan/OD requested for Bullet Repayment , then (Benchmark Rate) X LTV Ratio X Net Wt. of Gold = Eligible Gold Loan /OD Limit , i.e. 11,000 X 65% X 10 gms.

Hence, Eligible Gold Loan /Overdraft Limit =Rs. 71500/-

#### **Security:**

Pledge of gold ornaments

\*Terms & conditions apply