

A Comprehensive Guide to Understanding Gold Loan Gram Rate Calculation

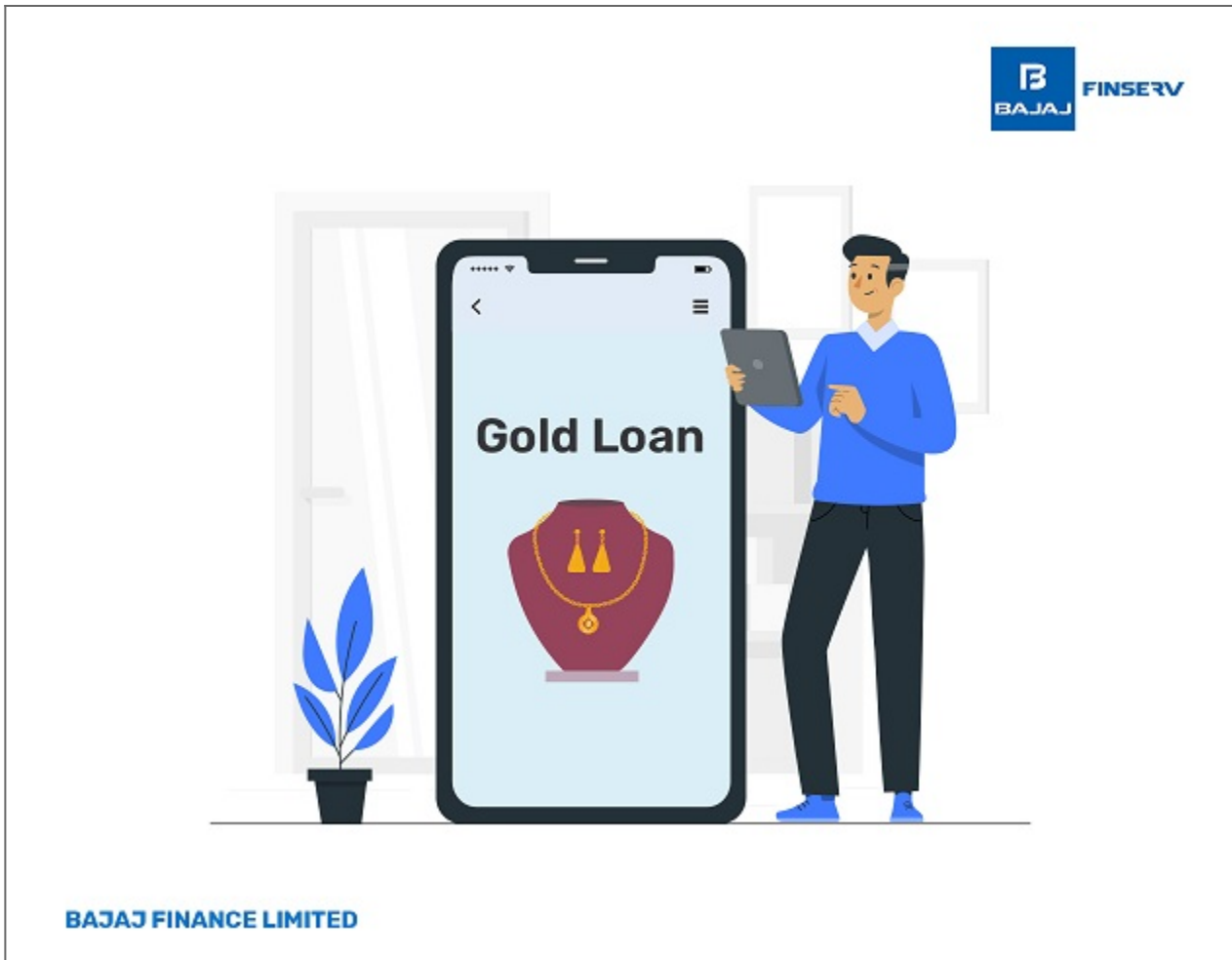
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BAJAJ FINANCE LIMITED

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Bajaj Finserv Gold Loan

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Factors affecting the gold loan gram rate in [India](#)

Gold purity

The purity of the gold being pledged significantly affects the [gold loan](#) gram rate. Lenders typically accept gold jewellery

with a purity of 18 to 24 karats. The higher the purity, the higher the [rate at which the gold](#) is valued. For example, 24-karat gold, being of the highest purity, will fetch a higher [loan value compared to 18-karat gold](#). Institutional lenders like Bajaj [Finance](#) use the most accurate and advanced karat meters to evaluate the purity of the gold, ensuring that borrowers receive the most value for their gold.

[Gold's market](#) rate

The market price of gold is another critical factor in determining the gold [loan gram rate](#). This rate fluctuates daily based on global and local [market](#) conditions. The prevailing market [rate of gold](#) in a specific location, such as Kolkata, will directly impact the loan value. For instance, if [today's gold rate in Kolkata](#) is Rs. 7,000 per gram, the amount a borrower can access depends on the percentage of the [gold's](#) value that the lender is willing to offer, typically up to 75%. A higher [market price means a higher loan](#) amount that can be availed.

Loan-to-value (LTV) ratio and lender's policies

The loan-to-value (LTV) ratio is the percentage of the [gold's market value](#) that a lender is willing to lend. Typically, lenders [offer up to 75% of the gold's current market](#) value as a loan. This ratio, along with the lender's internal policies, determines the loan amount.

Understanding the factors that [impact the gold loan gram rate](#), such as gold purity, market rates, and the LTV ratio, is essential for borrowers. [Bajaj Finserv](#) Gold Loan combines these with competitive rates and customer-centric benefits. Here are the top 5 advantages of choosing this loan option:

- Transparent and accurate [gold valuation with competitive rates](#).
- Borrow from Rs. 5,000 to Rs. 2 crore, based on gold

weight and purity.

- Retrieve part of your [gold early by repaying a portion of the loan](#).
- Get complimentary [insurance](#) on your pledged gold, covering against theft or loss.
- Enjoy a [convenient](#) repayment schedule, with no prepayment or foreclosure fees.

T&C Apply.

About Bajaj [Finance Limited](#)

Bajaj [Finance Ltd.](#) ('BFL', 'Bajaj Finance', or 'the Company'), a subsidiary of Bajaj Finserv Ltd., is a deposit taking Non-Banking Financial Company (NBFC-D) registered with the Reserve Bank of India (RBI) and is classified as an NBFC-Investment and Credit Company (NBFC-ICC). BFL is engaged in the [business](#) of lending and acceptance of deposits. It has a diversified lending portfolio across retail, SMEs, and commercial customers with significant presence in both urban and rural [India](#). It accepts public and [corporate deposits and offers a variety of financial services](#) products to its customers. BFL, a thirty-five-year-old enterprise, has now become a leading player in the NBFC sector in [India](#) and on a consolidated basis, it has a franchise of 80.41 million customers. Bajaj Finance has a credit rating of AAA/Stable for its Fixed Deposit program from CRISIL and ICRA, AAA/Stable for long-term borrowing from CRISIL, [India Ratings](#), CARE and ICRA, and A1+ for short-term borrowing from CRISIL, India Ratings and ICRA. It has a long-term issuer credit rating of BBB-/Stable and a short-term rating of A-3 by S&P Global ratings.

To know more, visit www.bajajfinserv.in.

