

Gold loans: Some easing, some stiffening by RBI

The Reserve Bank of India ([RBI](#)) has eased the norms for extending loans against [gold](#) jewellery as collateral. Now, non-banking finance companies (NBFCs) can give a loan up to 75 per cent of the gold value; the previous limit was 60 per cent.

A committee chaired by K U B Rao had recommended this, once business levels of gold loan NBFCs came to an appropriate level. The loan-to-value ceiling had been raised after moderation in the growth of gold loan portfolios of NBFCs in the recent past, RBI stated on Wednesday.

I Unnikrishnan, executive director & deputy chief executive, [Manappuram Finance](#), said: “This will be positive for the (gold loan) industry; it will also benefit customers.”

(Business Standard)