

Valuation POLICY
OF
FLAT WHITE CAPITAL PRIVATE LIMITED

SUMMARY OF POLICY:

Policy Name	Valuation Policy
Date of Approval of First Version	17-12-2025
Periodicity of Review	Annual
Prepared By	Prakhar Khandelwal
Approver	Board of Directors

Date of Review	Date of Next Review	Comments/Remarks/Changes
17-12-2025	On or before Dec-2026	Policy Approved

VALUATION Policy

This document (“Valuation Policy”) sets out the framework for valuation of gold jewellery accepted as collateral (“Collateral”) for loans extended by Flat White Capital Private Limited (“FWCPL”), a Non-Banking Financial Company (NBFC).

This Valuation Process is formulated in compliance with the applicable directions, circulars, guidelines, and master directions issued by the Reserve Bank of India (“RBI”), as amended from time to time, and shall be applicable to all gold loan products offered by FWCPL.

FWCPL shall adopt the following Valuation Process:

1. Qualified Appraiser

The Collateral shall be valued only by a trained and authorized appraisal personnel employed by or empanelled with FWCPL (“Appraiser”), who has undergone internal certification and periodic competency assessment.

2. Gold Price Benchmark

The valuation of the translated net weight of gold jewellery accepted as Collateral shall be based on the average of the closing price of 22-carat gold for the preceding 30 days, as published by the Indian Bullion & Jewellers Association (IBJA) benchmark.

3. Customer Presence

The valuation process shall be conducted strictly in the physical presence of the customer at the time of loan application and pledge creation.

4. Purity Assessment Methodology

The Appraiser shall assess the gross weight and purity of the Collateral using approved methods such as:

- Touchstone testing
- Karatmeter
- Any combination of the above

All assessments shall be carried out in accordance with FWCPL’s approved Standard Operating Procedures (SOPs).

5. Item-wise Testing

Each gold article offered as Collateral shall undergo separate and individual purity testing to ensure accurate valuation and transparency.

6. Net Weight & Carat Translation

- Net weight of the Collateral shall be determined after deducting the weight of stones, beads, or any non-gold components embedded in the jewellery.
- Valuation shall be standardized to 22-carat gold.
- In cases where the purity is less than 22 carats, the Collateral weight shall be translated proportionately into equivalent 22-carat gold weight, and the exact eligible grams shall be clearly recorded as security.

7. Customer Acknowledgement & Ownership Confirmation

The customer shall be required to:

- Accept and acknowledge the valuation and translated gold weight used for loan computation; and
- Where required by FWCPL, substantiate ownership of the Collateral through appropriate documentation or declarations, in line with KYC and AML requirements.

Audit & Control Oversight

All valuation records, including test results, gold prices applied, and customer acknowledgements, shall be subject to internal audit, concurrent audit, and regulatory inspection, as per FWCPL's governance framework.