

**POLICY ON STORING GOLD IN SAFE CUSTODY**  
**Approved in the Board Meeting held on 17-05-2023**

**Preamble**

The core business of MMFL consists of lending against the collateral security of gold ornaments. For this purpose, the company has formulated various loan schemes. Under these schemes, the loans are granted.

The borrowers who pledged the valuables with the Company attach emotional sentiments to these ornaments. It is the Company's responsibility to see that the ornaments are kept in safe custody.

**Policy**

1. The Company shall ensure that a minimum level of physical infrastructure and facilities and a strong building, with reach and visibility etc are available for the branches engaged in financing against gold jewellery.

2. The pledged gold shall be stored systematically, serial number wise to facilitate easy check and location.

3. The pledged ornaments will be stored in pucca **strong** rooms and will be duly insured against theft, dacoity, etc. All the pledged ornaments will also be insured for their gold content at current market rate with Oriental General Insurance Co Ltd.

4. Gold stored in the **strong room** shall have the following additional safety measures ;

- The **Strong room** shall have a double lock system.
- There shall be two keys for operating the **strong room**, entrusted to two separate officers; one to the Branch Manager

(custodian) and the other to a superior/supervisory officer ( Joint custodian)in the Branch.

- The **strong room** can be opened only when the two keys are used.
- A register shall be maintained at Branch to enter the time of entry and exit, name of authorised person, whenever the **strong room** is opened.
- No person other than the Custodian shall enter the **strong room** unless otherwise authorised by the Branch Head or an Authorised person in Corporate Office in this behalf.

5. The strong room shall have additional security features like CCTV Camera at the most vantage point(s) to keep round the clock surveillance. The monitoring of such CCTV Camera shall be done by the Audit/Vigilance department. The daily recordings of the camera shall be taken as a backup and kept with the computer centre/systems unit.

#### **Validity and authority for modification/ amendments**

This Policy is approved by the Board of Directors of the Company in their meeting held on **16/12/2015 and is valid from 1<sup>st</sup> January, 2016 and will be in force till such time it is modified or amended by the Board of Directors.**