

BANKCREDS RESEARCH · STATISTICAL REPORT

Gold Loan Interest Rates in India: 16-Lender Research Report

Published gold-loan interest rates in India ranged from 8.50% (Indian Bank) to 27% (IIFL Finance) a year on 8 October 2026, according to BankCreds Research's check of 16 lenders' own websites. Starting rates were similar across banks and NBFCs; the difference was the top of the range — a median of 9.25% at public sector banks against 24.13% at NBFCs.

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Data period
Snapshot of 8 October 2026

Dataset
lender sites v1.0 · 16 lenders

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Executive summary

BankCreds Research read the gold-loan rate, fee, loan-to-value and tenure pages of 17 lenders on 8 October 2026 — public sector banks, private banks and gold-loan NBFCs — and recorded each figure as published, with its source. Starting rates sat in a narrow band (median 9.35%), but upper limits diverged sharply: public sector banks published tight ranges, while private banks and NBFCs published ceilings of up to 20% and 27%. Several figures need careful reading: 3 lenders publish the range they

actually charged in a past quarter rather than a current card rate, the lowest NBFC rates are effective rates after prompt-payment rebates, and 4 public sector banks publish only a benchmark plus a spread. Federal Bank and South Indian Bank could not be read and are not included in the statistics.

Key findings

Each finding is self-contained and may be quoted with attribution to BankCreds Research. Link a single finding with its anchor ([#finding-1](#), [#finding-2](#) ...).

- 1** BankCreds Research's check of 16 lenders' own websites on 8 October 2026 found published gold-loan interest rates ranging from 8.50% a year (Indian Bank) to 27% (IIFL Finance).
- 2** The median lowest published rate was 9.35% and the median highest 15% — starting rates were close together, upper limits were not.
- 3** Public sector banks published the narrowest ranges: a median of 9.13% to 9.25%, with the highest top rate 10.10% (State Bank of India).
- 4** Private banks' ranges ran from a median 9.38% to 16.50%, reaching 20% at Kotak Mahindra Bank.
- 5** NBFCs' ranges ran from a median 9.66% to 24.13%, with the widest range at IIFL Finance (9.72% to 27%).
- 6** For Muthoot Finance and Manappuram Finance, the low end of the published range is an effective rate after a prompt-payment rebate; the base rate is higher, so a borrower who pays late can pay considerably more.

- 7 HDFC Bank, ICICI Bank and CSB Bank publish the range of rates they actually charged in a past quarter rather than a current card rate; their ranges show what borrowers were charged, not what a new borrower will be offered.
- 8 On a ₹1,00,000 gold loan repaid in 12 monthly instalments, interest would total about ₹4,664 at the lowest published rate (8.50%) and ₹15,221 at the highest (27%) — a difference of ₹10,557.
- 9 Processing fees ranged from nil at the low end (Bank of Baroda, Indian Bank and IIFL Finance) to up to 2% of the loan (ICICI Bank, Kotak Mahindra Bank and IIFL Finance), usually plus GST.
- 10 Fees change the ranking: on a ₹1,00,000 loan over 12 months, the annual cost including the fee was lowest at Indian Bank (8.50%); the biggest jump was at IIFL Finance, where a 9.72% rate became 13.55% once its fee was added.
- 11 RBI's directions cap the loan-to-value for consumption gold loans at 85% up to ₹2.5 lakh, 80% up to ₹5 lakh and 75% above; 5 of the 9 lenders that state a maximum LTV publish 85%.
- 12 Federal Bank and South Indian Bank could not be checked: their websites blocked automated reading on 8 October 2026, and no figure for them is estimated.

Key statistics

LOWEST PUBLISHED RATE

8.50%

Indian Bank

HIGHEST PUBLISHED RATE

27%

IIFL Finance

PSU BANKS, MEDIAN RANGE

9.13%–9.25%

6 banks

NBFCS, MEDIAN RANGE

9.66%–24.13%

4 NBFCs

INTEREST GAP ON ₹1 LAKH

₹10,557

12 months, lowest vs highest rate

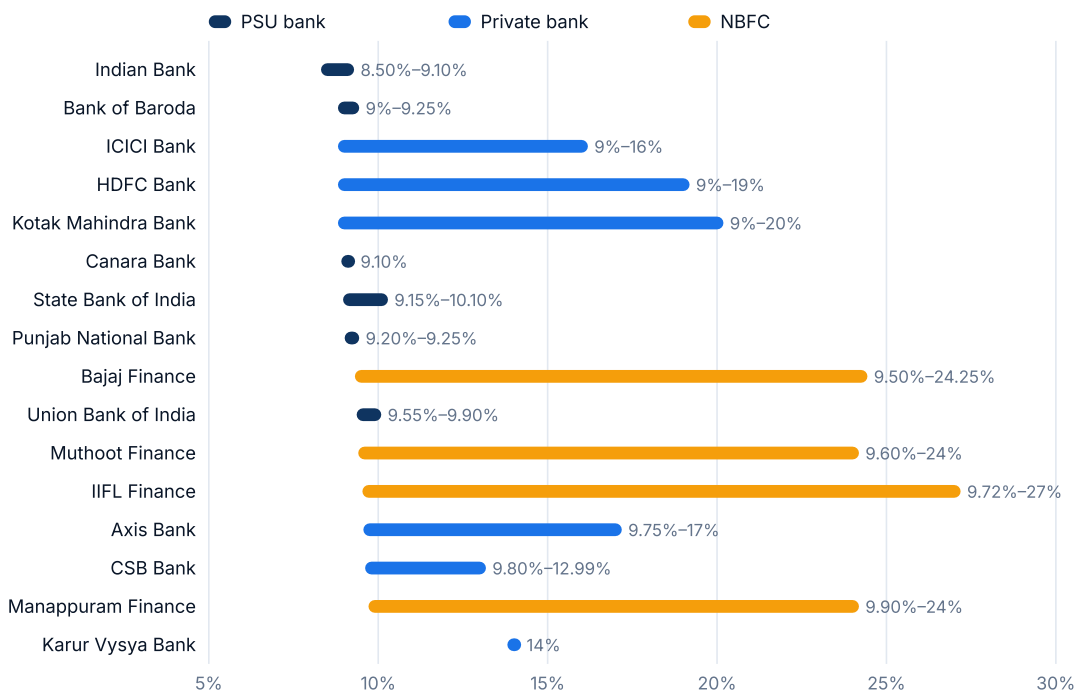
LENDERS CHECKED

16

own websites, 8 October 2026

Gold loan interest rates by lender

Published gold-loan interest-rate range for each lender, read on its own website on 8 October 2026. See the table for how each range is defined.



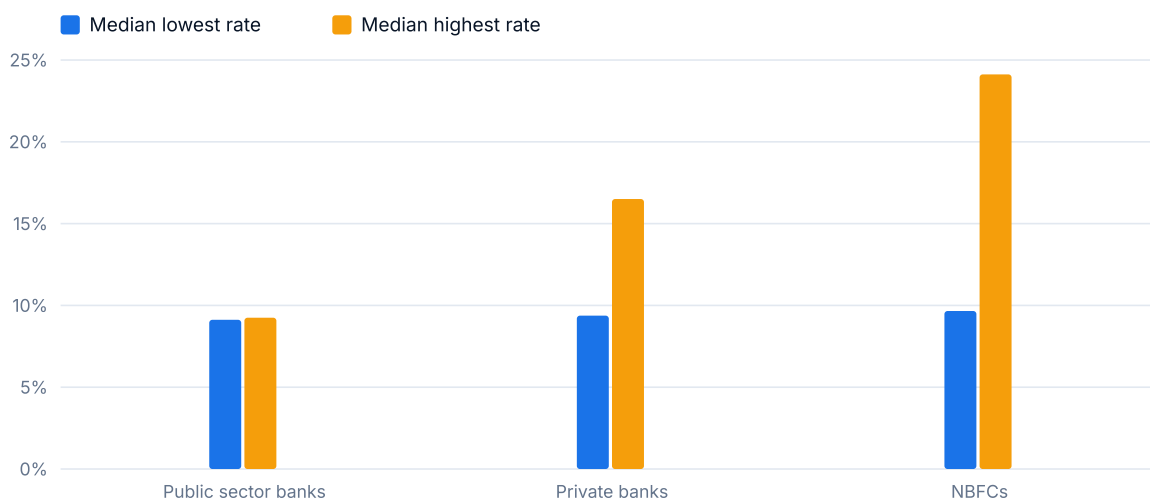
Source: BankCreds Research, lenders' own published rates · bankcreds.com/research

Why starting rates look alike but costs don't

15 of the 16 lenders advertise a starting rate below 10%, from 8.50% upwards. What separates them is how high the range goes and who gets the low end. Public sector banks publish ranges only a fraction of a percentage point wide, so most borrowers pay close to the advertised figure. Private banks and NBFCs publish much wider ranges — up to 20% and 27% — and set the rate by scheme, loan size, loan-to-value and repayment choice. On ₹1,00,000 over a year, the spread between the lowest and highest published rates is worth about ₹10,557 in interest.

Median gold loan rates by lender type

Median of the lowest and highest published rates within each lender type.



Source: BankCreds Research, lenders' own published rates · bankcreds.com/research

Three kinds of rate figure — read the flags

Not every lender publishes the same kind of number, and comparing them blindly misleads. **Past-quarter disclosures** (HDFC Bank, ICICI Bank and CSB Bank): the range of rates the lender actually charged in a recent quarter, published under RBI's fair-practices rules — useful evidence, but not today's offer. **Rebate-effective rates** (Muthoot Finance and Manappuram Finance): the advertised low end applies only if you pay interest on time; the base rate is higher. **Benchmark plus spread** (Punjab

National Bank, Bank of Baroda, Canara Bank and Union Bank of India): the bank publishes its repo-linked benchmark and a spread, which we added together from the bank's own figures. The table marks each case.

Loan-to-value: how much your gold can borrow

RBI's directions limit a consumption gold loan to 85% of the gold's value up to ₹2.5 lakh in total loans, 80% up to ₹5 lakh and 75% above, and the ratio must hold for the life of the loan. Lenders may lend less than these ceilings, and a fall in the gold price can push a loan over its limit — see our gold price volatility study. The gold loan eligibility calculator estimates the amount for your gold at today's price.

Rates after the October 2026 repo rate rise

RBI raised the repo rate on 7 October 2026. Gold-loan rates linked to a repo-based benchmark move with it, but on 8 October 2026 some lenders' pages already showed revised benchmarks while others still showed earlier figures; each figure here is exactly what the lender's page showed on that date, with the page date in the table. Fixed-rate and MCLR-linked loans do not change automatically with the repo rate. Compare current offers on our gold loan rates page before you borrow.

Data tables

Gold loan terms by lender — as published on 8 October 2026

Lender	Type	Interest rate (% a year)	Processing fee	Max LTV	Max tenure	Date shown on page
Indian Bank	PSU bank	8.50% – 9.10%	Nil	85%	35 months	Updated 10 Sep 2026
Bank of Baroda	PSU bank	9% – 9.25% [D]	Nil–0.50%	75%	36 months	BRLLR w.e.f. 8 Oct 2026
HDFC Bank	Private bank	9% – 19% [R]	up to 1%	—	42 months	Jan–Mar 2026 range
ICICI Bank	Private bank	9% – 16% [R]	up to 2%	—	12 months	Apr–Jun 2026 range
Kotak Mahindra Bank	Private bank	9% – 20%	up to 2%	75%	48 months	Undated
Canara Bank	PSU bank	9.10% [D]	0.15%–0.30%	—	12 months	w.e.f. 2 Oct 2026
State Bank of India	PSU bank	9.15% – 10.10%	0.25%–0.30%	—	36 months	Updated 24 Sep 2026
Punjab National Bank	PSU bank	9.20% – 9.25% [D]	0.30%	—	36 months	Updated 7 Oct 2026
Bajaj Finance	NBFC	9.50% – 24.25%	0.20%	85%	12 months	Sep 2026
Union Bank of India	PSU bank	9.55% – 9.90% [D]	Nil–₹500 flat	55%	12 months	EBLR w.e.f. 8 Oct 2026
Muthoot Finance	NBFC	9.60% – 24% [E]	Service charges by scheme	85%	12 months	Undated
IIFL Finance	NBFC	9.72% – 27%	Nil–2%	75%	24 months	Oct 2026
Axis Bank	Private bank	9.75% – 17%	up to 1.50%	—	36 months	Oct 2026
CSB Bank	Private bank	9.80% – 12.99% [R]	—	85%	12 months	Apr–Jun 2026 loans
Manappuram Finance	NBFC	9.90% – 24% [E]	₹30 flat	85%	12 months	Sep 2026
Karur Vysya Bank	Private bank	14%	0.40%	—	12 months	w.e.f. 15 Nov 2025
Federal Bank	Private bank	not readable	—	—	—	—

R = range of rates actually charged in a past quarter (the lender's RBI disclosure), not a current card rate. E = effective rate after a prompt-payment rebate. D = benchmark + spread, added by us from the lender's own published figures. "Not readable" = the lender's site blocked automated reading; no value is estimated. Not included: Federal Bank, South Indian Bank.

What a ₹1,00,000 gold loan costs over 12 months, fee included

Lender	Lowest rate	Processing fee	Interest	Total cost	Annual cost incl. fee
Indian Bank	8.50%	Nil	₹4,664	₹4,664	8.50%
Bank of Baroda	9%	Nil	₹4,942	₹4,942	9.00%
State Bank of India	9.15%	₹250	₹5,025	₹5,275	9.62%
Canara Bank	9.10%	₹300	₹4,997	₹5,297	9.67%
Union Bank of India	9.55%	₹100	₹5,248	₹5,348	9.74%
Bajaj Finance	9.50%	₹200	₹5,220	₹5,420	9.88%
Manappuram Finance	9.90%	₹30	₹5,443	₹5,473	9.96%
Punjab National Bank	9.20%	₹500	₹5,053	₹5,553	10.15%
HDFC Bank	9%	up to ₹1,000	₹4,942	₹5,942	10.90%
Axis Bank	9.75%	up to ₹1,500	₹5,360	₹6,860	12.61%
ICICI Bank	9%	up to ₹2,000	₹4,942	₹6,942	12.83%
Kotak Mahindra Bank	9%	₹2,000	₹4,942	₹6,942	12.83%
IIFL Finance	9.72%	up to ₹2,000	₹5,343	₹7,343	13.55%
Karur Vysya Bank	14%	₹400	₹7,745	₹8,145	14.77%
Muthoot Finance	9.60%	not published	₹5,276	—	—
CSB Bank	9.80%	not published	₹5,387	—	—

Equal monthly instalments at each lender's lowest published rate; fee for this loan size from the lender's own schedule, before GST ("up to" = only a ceiling is published, so the worst case is shown). Annual cost incl. fee = the rate that makes the instalments repay the loan net of the fee (monthly rate × 12).

RBI's maximum loan-to-value for gold loans (consumption loans)

The maximum LTV ratio in respect of consumption loans against the eligible collateral (gold or silver jewellery, ornaments, coins) shall not exceed 85 per cent where the total consumption loan amount per borrower is up to Rs 2.5 lakh, 80 per cent above Rs 2.5 ...

Total gold loan per borrower	Maximum LTV
≤ ₹2.5 lakh	85%
> ₹2.5 lakh & ≤ ₹5 lakh	80%
> ₹5 lakh	75%

Methodology

Data. On 8 October 2026 we read each lender's own gold-loan product, interest-rate and charges pages (dataset version 1.0). Each value is recorded exactly as published with its URL and a short quote; where a lender publishes a benchmark and a spread, we add them using the benchmark shown on the same lender's site and mark the result. Retail (personal) gold loans only — agricultural and MSME gold schemes are excluded from the ranges.

Statistics. Medians are taken across lenders within each type, using each lender's lowest and highest published rate. Lenders whose rates could not be read are excluded, not estimated. The cost example is the total interest on a ₹1,00,000 loan repaid in 12 equal monthly instalments at the stated rate; it excludes fees, GST and any rebate conditions.

Full standards: BankCreds research methodology.

Data sources

- Lenders' own websites — gold-loan product, interest-rate and service-charge pages of each lender listed, read on 8 October 2026 (page and date recorded per lender).
- Reserve Bank of India — Directions on lending against gold and silver collateral (June 2025) and the consolidated NBFC credit-facilities directions, loan-to-value provisions.

Limitations

- Published ranges are not personal quotes: the rate you are offered depends on the scheme, loan size, loan-to-value, repayment option and lender policy.
- Past-quarter disclosures describe rates actually charged then, not current offers.
- Some pages had not yet reflected the 7 October 2026 repo rate change on the snapshot date.
- Federal Bank and South Indian Bank could not be read and are excluded.
- Lenders change rates frequently; this snapshot is dated and will be refreshed.

Frequently asked questions

What is the lowest gold loan interest rate in India?

On 8 October 2026, the lowest published gold-loan rate among the 16 lenders BankCreds Research checked was 8.50% a year, at Indian Bank. Your actual rate depends on the scheme, loan size and loan-to-value.

Are gold loans cheaper at banks or NBFCs?

Starting rates were similar — a median of 9.13% at public sector banks and 9.66% at NBFCs on 8 October 2026 — but NBFC ranges went much higher, to a median top of 24.13% against 9.25% at public sector banks.

How much does a gold loan cost on ₹1 lakh?

Repaid in 12 monthly instalments, interest would total about ₹4,664 at 8.50% and ₹15,221 at 27% — the lowest and highest published rates in our snapshot. Processing fees, nil to 2% plus GST, come on top.

How much can I borrow against my gold?

RBI caps consumption gold loans at 85% of the gold's value for total loans up to ₹2.5 lakh, 80% up to ₹5 lakh and 75% above. Lenders may lend less, and the ratio must be maintained for the whole loan.

Why do some NBFCs advertise a low gold loan rate but charge more?

For Muthoot Finance and Manappuram Finance, the low end is an effective rate after a rebate for paying interest on time; the published base rate is higher. If you miss the payment schedule, the rebate is lost and the higher rate applies.

Cite this research

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REFERENCE (APA STYLE)

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SOURCE LINE

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<a href="https://bankcreds.com/research/gold-loan/gold-loan-interest-rates-india/">Gold Loan Interest Rates in India: Research Report – BankCreds Research</a>
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Version history. Report v1.0 (2026-10-08): First publication (snapshot of 8 October 2026). · Report v1.1 (2026-10-09): Added the cost of a ₹1 lakh, 12-month loan with each lender's processing fee, and the annual cost including the fee. · lender sites dataset v1.0 (2026-10-08): First release: 17 lenders (16 with rates), as of 2026-10-08.

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