

BANKCREDS RESEARCH · REGULATORY IMPACT STUDY

Gold Loan Rates and the Repo Rate: A 16-Lender Research Report

Only 4 of the 16 gold-loan lenders BankCreds Research checked link their rate to the repo rate, 2 use their MCLR, and 6 do not say on their gold-loan pages what the rate is linked to. After RBI raised the repo rate by 25 bps on 7 October 2026, the effect on a short gold loan was small: about ₹139 on ₹1 lakh over 12 months.

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Data period
Snapshot of 8 October 2026

Datasets
lender sites v1.0 · 16 lenders + RBI v1.0 ·
23 changes, 66 decisions

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Executive summary

When RBI changes the repo rate, home loans linked to it move within days. Gold loans are different. BankCreds Research read the gold-loan and rate pages of 16 lenders on 8 October 2026 and recorded what each says its rate is linked to. Most public sector banks link gold loans to the repo rate; NBFCs and most private banks set their own rates or do not say. Because gold loans are short, a 25 bps change adds little to their

cost — but knowing your rate basis tells you whether your rate can change during the loan.

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** Only 4 of 16 gold-loan lenders checked by BankCreds Research link their rate to the repo rate: Punjab National Bank, Bank of Baroda, Canara Bank and Union Bank of India.
- 2** State Bank of India and Axis Bank price gold loans off their MCLR, the bank's own lending benchmark, which also follows RBI but more slowly.
- 3** 6 lenders — HDFC Bank, ICICI Bank, Kotak Mahindra Bank, CSB Bank, IIFL Finance and Bajaj Finance — do not say on their gold-loan pages what the rate is linked to.
- 4** 3 lenders publish fixed or lender-set rates: Karur Vysya Bank, Muthoot Finance and Manappuram Finance. None of the 4 NBFCs checked links its gold-loan rate to the repo rate or MCLR.
- 5** 4 of the 6 public sector banks checked are repo-linked.
- 6** After RBI raised the repo rate by 25 bps on 7 October 2026, Punjab National Bank and Union Bank of India had revised their benchmark by the next day; Bank of Baroda had partly updated its pages; State Bank of India and Canara Bank had not yet revised theirs.

- 7 For 8 lenders the effect could not be judged from their pages, because they name no benchmark or publish a past-quarter range.
- 8 The cost of a 25 bps change is small on a short loan: on ₹1 lakh over 12 months it adds about ₹139 in EMI interest, or ₹250 for a bullet loan.

Key statistics

REPO-LINKED GOLD LOANS

4 of 16

lenders checked 8 October 2026

RATE BASIS NOT STATED

6

lenders

REPO RATE NOW

5.50%

since 7 October 2026

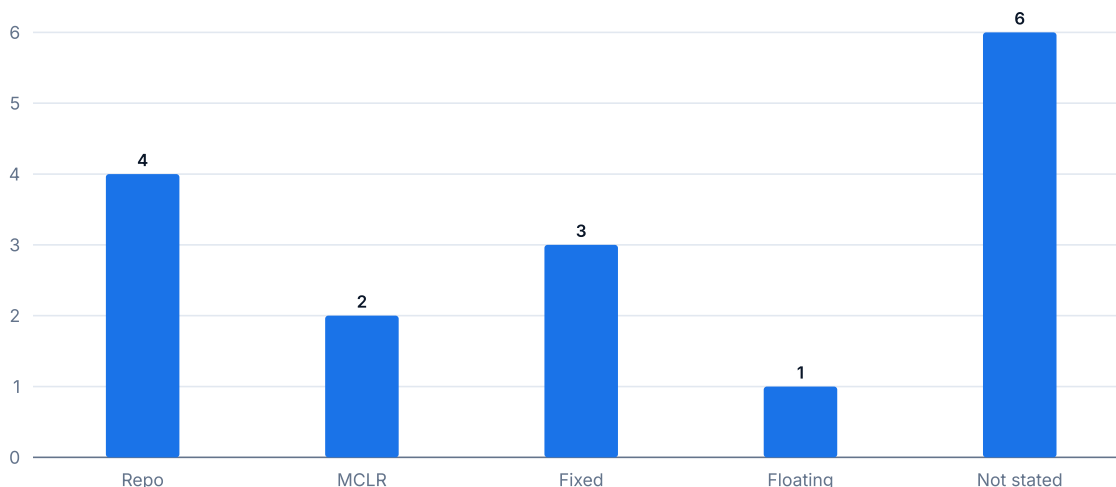
EXTRA INTEREST ON ₹1 LAKH, 12 MONTHS

₹139

for a 25 bps change

What gold loan rates are linked to

Rate basis stated on each lender's own gold-loan pages, 16 lenders, read on the snapshot date.



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

Repo-linked, MCLR-linked or fixed: what it means for you

A **repo-linked** gold loan is priced as the bank's repo-based benchmark plus a spread, so the rate can change during the loan when RBI moves. An **MCLR-linked** loan follows the bank's own lending benchmark, which also responds to RBI but more slowly. A **fixed or lender-set** rate stays as agreed for the loan; NBFCs usually price this way, sometimes with a lower effective rate if you pay interest on time. If a lender does not say which applies, ask before you sign.

Why the repo change barely moves a gold loan

Gold loans are short and small compared with home loans. A 25 bps change on ₹1 lakh for a year is worth about ₹139 in EMI interest. On a 20-year home loan the same change adds up over many years. So for most gold-loan borrowers the rate type matters more as a question of certainty — will the rate change during my loan? — than of cost.

Questions to ask your lender

Is my gold-loan rate fixed or linked to a benchmark? If linked, which one, and how often is it reset? Will a change apply to my existing loan or only to new ones? Is the quoted rate an effective rate that depends on paying interest on time? The answers belong in the Key Facts Statement you receive before signing.

Data tables

What each gold loan rate is linked to, and the 7 October 2026 repo rise

Lender	Type	Published rate	Rate linked to	After the repo rise
Bank of Baroda	PSU bank	9% – 9.25%	Repo-linked	Partly revised
Canara Bank	PSU bank	9.10%	Repo-linked	Not yet revised
Punjab National Bank	PSU bank	9.20% – 9.25%	Repo-linked	Benchmark revised
Union Bank of India	PSU bank	9.55% – 9.90%	Repo-linked	Benchmark revised
State Bank of India	PSU bank	9.15% – 10.10%	MCLR-linked	Not yet revised
Axis Bank	Private bank	9.75% – 17%	MCLR-linked	Cannot tell from the page
Muthoot Finance	NBFC	9.60% – 24%	Fixed / lender-set	Fixed — not affected
Manappuram Finance	NBFC	9.90% – 24%	Fixed / lender-set	Fixed — not affected
Karur Vysya Bank	Private bank	14%	Fixed / lender-set	Fixed — not affected
Indian Bank	PSU bank	8.50% – 9.10%	Floating, benchmark not named	Cannot tell from the page
HDFC Bank	Private bank	9% – 19%	Not stated	Cannot tell from the page
ICICI Bank	Private bank	9% – 16%	Not stated	Cannot tell from the page
Kotak Mahindra Bank	Private bank	9% – 20%	Not stated	Cannot tell from the page
Bajaj Finance	NBFC	9.50% – 24.25%	Not stated	Cannot tell from the page
IIFL Finance	NBFC	9.72% – 27%	Not stated	Cannot tell from the page
CSB Bank	Private bank	9.80% – 12.99%	Not stated	Cannot tell from the page

As stated on each lender's own gold-loan and rate pages on the snapshot date. "Cannot tell from the page" = the page names no benchmark or shows a past-quarter range.

Methodology

Data. Each lender's gold-loan product, interest-rate and benchmark pages, read on 8 October 2026 (dataset version 1.0), and RBI's repo-rate decisions (dataset version 1.0).

Classification. The rate basis is what the lender's own page states: repo-linked (EBLR, RLLR or BRLLR), MCLR-linked, fixed or lender-set, floating without a named benchmark, or not stated. The status after the repo change is read from the same pages on the day after RBI's decision. **Cost.** Extra interest on equal monthly instalments, or simple interest for a bullet loan, at the median lowest published gold-loan rate.

Full standards: BankCreds research methodology.

Data sources

- Lenders' own websites — gold-loan product, interest-rate and benchmark pages of each lender listed, read on 8 October 2026.
- Reserve Bank of India — Monetary Policy Statements and MPC resolutions.

Limitations

- Pages were read the day after RBI's decision; lenders that revise later appear as not yet revised.
- A lender that does not state its rate basis may still link its rate to a benchmark internally.
- Agricultural and MSME gold-loan schemes can use a different benchmark from retail gold loans.

Frequently asked questions

Does the repo rate affect gold loan interest rates?

Only for some lenders. On 8 October 2026, 4 of 16 lenders linked gold loans to the repo rate and 2 to their MCLR; the rest set their own rates or did not say.

Will my gold loan EMI go up after a repo rate rise?

Only if your loan is linked to a benchmark that moves. On ₹1 lakh over 12 months, a 25 bps change adds about ₹139 in interest.

Do NBFC gold loan rates change with the repo rate?

None of the 4 NBFCs BankCreds Research checked links its gold-loan rate to the repo rate or MCLR. They price gold loans with scheme rates they set themselves, which stay as agreed for the loan.

Cite this research

You may quote the findings and reuse the charts under CC BY 4.0. Please credit **BankCreds Research** and link to this page. More options: Use our data.

REFERENCE (APA STYLE)

BankCreds Research & Data Team. (2026). Gold Loan Rates vs Repo Rate in India: Research Report. BankCreds. <https://bankcreds.com/research/gold-loan/gold-loan-rates-repo-rate-india/>

SOURCE LINE

Source: BankCreds Research, lenders' own rate pages and RBI policy statements – "Gold Loan Rates vs Repo Rate in India: Research Report" (updated 25 October 2026), <https://bankcreds.com/research/gold-loan/gold-loan-rates-repo-rate-india/>

HTML LINK

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<a href="https://bankcreds.com/research/gold-loan/gold-loan-rates-repo-rate-india/">Gold Loan Rates vs Repo Rate in India: Research Report – BankCreds Research</a>
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Version history. Report v1.0 (2026-10-09): First publication (lender pages read 8 October 2026, the day after the repo change). · lender sites dataset v1.0 (2026-10-08): First release: 17 lenders (16 with rates), as of 2026-10-08. · RBI dataset v1.0 (2026-10-08): First release: 23 events 2016-04-05 → 2026-10-07.

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