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For Immediate Release

AU Small Finance Bank expands its footprint with exclusive Gold Loan branches in Telangana

Vemulawada Branch

Hyderabad, March 18, 2026: AU Small Finance Bank (AU SFB), India's largest Small Finance Bank and the first in over a decade to receive *in-principle* approval to transition into a Universal Bank, has launched **exclusive Gold Loan branches in Huzurabad, Khammam and Vemulawada in Telangana**. This expansion strengthens the Bank's secured lending presence in Southern India and follows the recent rollout of dedicated Gold Loan branches in Jamnagar and Junagadh in Gujarat.

Telangana has been selected as a priority market due to its strong gold ownership patterns, vibrant local economies and high demand for quick, formal, gold-backed liquidity. As per a latest industry report (January 2026), India's overall gold loan portfolio stands at ₹15.6 lakh crore, with the top 10 states- including Telangana accounting for 90.8% of the national portfolio. The new exclusive gold loan branches have been opened in **Karimnagar**, **(Huzurabad), Sai Nagar** (**Vemulawada),** and **Mustafa Nagar (Khammam)**, while a fourth branch in **Parkal l**ocation is scheduled to open later this month.

Why these locations?

- **Huzurabad:** A semi-urban trading and agrarian hub where gold is a preferred savings asset, driving steady demand for gold-backed working capital.
- **Vemulawada:** A prominent temple town with year-round pilgrim inflows and deep cultural use of gold in offerings, weddings and festivals, supported by an active jewellery ecosystem.
- **Khammam:** A district centre with strong agriculture, MSMEs and trading activity-representing a higher ticket-size, high-potential market for gold-backed credit.

- **Parkal:** Located in a rural-semi urban belt, has relatively low penetration of organised credit, where gold loans are commonly used by households as an emergency funding instrument.

These branches will serve **rural households, small traders, agri-linked borrowers, MSMEs and seasonal/pilgrim-linked borrowers**, offering competitive interest rates, high loan-to-value ratios (as per RBI norms) and faster valuation processes for easy access to liquidity.

Key features of AU SFB's Gold Loan branches include:

- Exclusive focus on loans against gold ornaments
- Dedicated gold loan infrastructure and specialised staff
- Simplified, customer-friendly processes
- Secure handling and storage of pledged gold
- Robust compliance and risk frameworks aligned with banking standards

Amid global financial uncertainties, gold remains one of the most stable and reliable forms of collateral protecting both borrower access to credit and lender capital, making it a resilient asset class in the secured lending ecosystem. Thus, AU SFB's branch-led, gold loan–focused model **delivers speed and simplicity**, reinforced by the **trust, governance and transparency** of a regulated banking institution.

Uttam Tibrewal, ED & Deputy CEO, AU Small Finance Bank, said, *"Gold-backed credit continues to play a vital role in India's household and regional economies, especially in markets like Telangana where gold remains both a cultural asset and a reliable financial cushion. With our exclusive Gold Loan branches, AU SFB is bringing a banking-grade gold loan experience, faster processing, uncompromised security and transparent valuation to customers who have traditionally relied on informal or NBFC-led channels. By expanding into* ***Huzurabad, Khammam and Vemulawada****, we are deepening our presence in high-potential markets and enabling farmers, traders and small businesses to access liquidity with confidence and convenience."*

Telangana's gold-rich customer base positions it as a high-potential state for AU SFB's secured lending strategy. The bank plans to open additional Gold Loan branches across **Tamil Nadu, Karnataka and Maharashtra** by March 31, 2026.

AU Gold Loan

About AU Small Finance Bank

AU Small Finance Bank Limited (AU SFB) is a Scheduled Commercial Bank and has established itself as India's largest Small Finance Bank since commencing its banking journey in April 2017. Founded in 1996 by Mr. Sanjay Agarwal, a first-generation entrepreneur, AU enters its 30th year of operations with a legacy of deep-rooted "Dharma" of customer centric service having built, over three decades including more than eight years as a bank, a sustainable and inclusive financial institution that empowers underserved and under-reached communities through a robust retail banking model. AU has received an *in-principle* approval from RBI to transition to a Universal Bank.

With deep customer insight across India, AU provides comprehensive banking solutions across deposits, loans, credit cards, premium banking, remittance services, merchant solutions, insurance, and investments. As a tech-led bank, AU offers differentiated digital experiences through innovations like 24x7 video banking, WhatsApp Banking, Chatbots, UPI QRs, merchant lending, and its award-winning AU 0101 app.

AU SFB's wide network of over 2,726 banking touchpoints across 21 States and 4 Union Territories enables service to more than 1.25 crore customers, powered by a workforce of 59,800+ employees. As on 31st Dec'25, Bank has a Shareholders Funds of ₹19,085 Cr, Deposit base of ₹1,38,415 Cr, Total Loan Portfolio of ₹1,29,898 Cr and a Balance sheet size of ₹1.74 Lac Cr+.

AU SFB is listed on NSE and BSE and is rated 'AA/Stable' by CRISIL Ratings, ICRA Ltd., CARE Ratings.

For more details, visit: www.au.bank.in | LinkedIn | Facebook | Twitter | Instagram

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