

AU Small Finance Bank Limited

Head Office - CP3-232, Industrial Area, Apparel Park,
Jagatpura, Jaipur, Rajasthan, 302022

Corporate Office - 5th Floor, E-Wing, Kanakia Zillion,
LBS road, Kurla West, Mumbai, Maharashtra, 400070

Website – www.au.bank.in



For Immediate Release

AU Small Finance Bank Announces Q4'FY26/FY26 Financial Results

Strong all-round performance with PAT up 65% YoY to ₹ 832 cr
RoA at 1.8%, RoE at 17%; Deposits up 23% YoY and Loans up 21% YoY
FY26 profit grows 25% to ₹ 2,641 cr
Launched our first AI-native Loan Origination System for Gold loans
Declared dividend of ₹1/- per share (10% of face value) for FY26

Key financial highlights for Q4'FY26

- Net interest Margin (NIM) expanded by 24bps to 5.96% in Q4'FY26 from 5.7% in Q3'FY26
- Cost of Funds (CoF) further declined by 12 bps QoQ in Q4'FY26 to 6.49%
- Net Interest Income (NII) grew by 23% YoY and 10% QoQ to ₹2,582cr
- Core other income grew by 14% YoY and 7% QoQ to ₹748 cr
- Provisions for Q4'FY26 were down 58% YoY and 19% QoQ to ₹269 cr
- PAT for Q4'FY26 was up by 65% YoY and 25% QoQ to ₹832 cr; PAT for FY26 up 25% to ₹2,641 cr
- RoA for Q4'FY26/FY26 was 1.8%/1.6% and RoE at 17.0%/14.2% respectively
- Asset quality ratios improve sequentially; GNPA ratio at 2.03% at Mar'26 from 2.30% at Dec'25; NNPA ratio was 0.74% at Mar'26 compared to 0.88% at Dec'25
- Cost/Assets ratio declined to 4.1% for FY26 from 4.3% in FY25 (excl CGFMU premium)
- Total deposits grew by 23% YoY and 10% QoQ to ₹1,52,661 cr
 - CASA deposit grows by 20% YoY and ~9% QoQ
- Gross loan portfolio grew by 21% YoY and 8% QoQ to ₹1,40,327 cr
 - Secured businesses (Retail + Commercial) grew by 23% YoY and 7% QoQ
 - Unsecured businesses (MFI, credit card, PL) saw a turnaround this quarter and grew by 7% QoQ led by MFI and PL; de-grew by 1% YoY
- Credit cost for FY26 improved to 0.96% of average assets vs 1.3% for FY25; Credit cost at 1% incl. CGFMU premium for FY26
- During Q4'FY26, expanded the distribution by net 64 physical touchpoints including 13 new deposit branches; total touchpoints reach 2,790

Mumbai | April 27, 2026: The Board of Directors of AU Small Finance Bank Limited at its meeting held today, approved the financial results for the quarter and financial year ended 31st March 2026.

Executive Summary

Indian macroeconomic environment was relatively on better footing for most part of Q4 but it did see some volatility emanating from the ongoing West Asia crisis towards the later half of March. Amidst this environment, AU delivered a strong all round quarterly performance to finish the year on a high note. With execution firmly on track and fundamentals strengthening, we step into the next phase of growth with conviction.

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Commenting on the performance, Mr. Sanjay Agarwal, Founder, MD & CEO, AU Small Finance Bank said, “It takes at least a decade to build the foundation of a strong bank and entering our tenth year is a deeply meaningful milestone for all of us at AU. Building a Forever Bank demands consistency in strategy, in execution and in values. FY2026 reflects exactly that.

We have strengthened our franchise, embedded technology into our core, and invested in every dimension that matters like governance, leadership, distribution and scale. This month, we launched our first Agentic AI platform, and our first AI-native Loan Origination System on that platform, signalling our intent to fundamentally reimagine banking. I am genuinely excited about what lies ahead and look forward to sharing more in the quarters to come.

The strength of our foundation and the quality of our franchise give me confidence that as we approach our Universal Banking milestone, we do so with clarity of purpose and conviction in our trajectory. We are deeply grateful to the Government of India, RBI and our other regulators, our customers, our shareholders, our team and every stakeholder who makes this journey possible.”

Performance at a glance:

Q4’FY26 highlights

- NII grew by 23% YoY and 10% QoQ to ₹2,582 cr
- NIM expanded by 24bps QoQ to 5.96% in Q4’FY26 from 5.7% in Q3’FY26
- Other income de-grew by 4% YoY but grew by 1% QoQ to ₹731 cr
- Operating expenses grew by 26% YoY and 6% QoQ to ₹1,962 cr
- Cost to Income ratio improved to 59.2% in Q4’FY26 from 59.7% in Q3’FY26 (excluding exceptional items)
- Pre-provisioning operating profit (PPoP) grew by 5% YoY and 11% QoQ to ₹1,352 cr
- Provisions were down 58% YoY and 19% QoQ to ₹269 cr
- PAT was up 65% YoY and 25% QoQ to ₹832 cr
- ROA and ROE for the quarter were to 1.8% and 17.0%

Key strategic updates

• Universal banking

- Pursuant to the Bank’s request, RBI has replaced the stipulation for transitioned Universal Bank to be held through a Non-Operative Financial Holding Company (“NOFHC”). This requirement for NOFHC will now be applicable on the transitioned Universal Bank, if the Bank or its promoter (including promoter group) proposes to establish any group entity in the future. Post this change, Bank has filed for the final license in March’26 and await regulatory approval.

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- **Succession planning and leadership update**

- RBI approved reappointment of Mr. Sanjay Agarwal as MD & CEO of AU Small Finance Bank for a further period of three years, effective April 19, 2026
- Mr. Uttam Tibrewal, Deputy CEO, completed his current term as the Whole Time Director of the Bank on April 18, 2026. He will continue leading the Bank's retail business verticals and increase his focus on on-ground engagement to drive growth, strengthen customer relationships and expand the Bank's presence across newer geographies
- On April 24, 2026, Mr. Vivek Tripathi, Chief Credit Officer, assumed the role of Executive Director for a term of 3 years
- The Board of Directors approved the appointment of Mr. Gaurav Jain as Chief Financial Officer (CFO) of the Bank, w.e.f. April 27, 2026

- **AI/Tech update**

Bank is embedding AI decisively into its core operating model. This is not an incremental adoption; it requires the Bank to fundamentally reimagine how it operates, scale and serve its customers — delivering superior customer experience, higher productivity and scalable growth, without proportional increases in cost or headcount. Some of the key ongoing initiatives are:

- Engineered and implemented a deterministic, **rule-driven Agentic AI platform**; built for high-speed, personalised customer engagement with full end-to-end traceability and auditability
- **First AI-native Loan Origination System**, was built on this platform, which went live last week for **Gold Loan** business with successful disbursements recorded
- **Establishing a Centre of Excellence** - bringing together internal talent, global partners and cutting-edge capabilities to identify and implement AI use cases across the Bank
- The Bank is deploying **AI and ML across credit underwriting, fraud decisioning, collections and customer service**
 - On AML monitoring, ~ 60% of alerts are reviewed and resolved through AI-based models
 - AI-led voice - Inbound calling launched as the bank's first AI initiative across multiple languages; Outbound AI led campaigns underway across businesses, with a target scale up to ~25% of total calls over the next 2 quarter
- AU0101 retail app has been revamped to its 2.0 version with a more intuitive, customisable interface
- The Bank's website was enhanced during the quarter
- The **core banking migration of Fincare SFB was completed** during the quarter via a well-governed process with minimal disruption. With this, the integration of Fincare into AU is now complete

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**Balance sheet****Deposits**

- Total deposits grew 23% YoY and 10% QoQ to ₹1,52,661 cr
- Current account deposits grew by 34% YoY and 26% QoQ to ₹9,359 cr and savings account deposits grew by 16% YoY and 4% QoQ to ₹33,998 cr
- CASA deposits grew by 20% YoY and 9% QoQ to ₹43,357 cr; CASA ratio at 28% as on Mar'26
- Stable deposit ratio i.e. CASA + Retail TD + Non-callable bulk TD was 79% of total deposits

Advances

- Gross loan portfolio (GLP) was ₹1,40,327 cr, registering a YoY growth of 21% YoY and 8% QoQ
 - Secured businesses (Retail + Commercial) delivered 23% YoY and 7% QoQ growth
 - Unsecured businesses (MFI, credit card, PL) grew by 7% QoQ led by MFI and PL but de-grew by 1% YoY
- Yield on gross advances was stable QoQ at 13.8% for Q4'FY26

Key ratios

- Credit Deposit (CD) ratio, excluding advances created out of refinance from Development Finance Institutions (DFI) like NABARD, SIDBI, NHB, MUDRA, was 80% at Mar'26
- Average Liquidity Coverage Ratio (LCR) was 119% for Q4'FY26; average LCR at Mar'26 was 120%
 - Bank maintains additional liquidity of 10-15% of LCR, which is in the form of high-quality, liquid, non-SLR investments which are not part of LCR computation
- Capital adequacy ratio as on 31st March 2026 stands at 18.7% and Tier I capital adequacy ratio stands at 16.9%

Asset quality

- Slippages decreased by 17% QoQ to ₹ 659 cr in Q4'FY26 from ₹ 791 cr in Q3'FY26 and ₹ 894 cr in Q4'FY25, led by improvement across asset classes
- GNPA ratio improved to 2.03% at 31st March 2026 vs 2.30% in Dec'25 and NNPA ratio improved to 0.74% vs. 0.88% in Dec'25
- Collection efficiency in non-overdue MFI loans improved to 99.7% (vs 99.3% in Q3'FY26)
- Provision coverage ratio, including technical write-offs, was 85% at 31st March 2026
- Credit cost for FY26 was 0.96% of the average total assets, improved from 1.30% for FY25
- Additionally, Bank carries ₹38 cr of contingency and ₹41 cr of floating provision

Full year FY2025-26 update**Profitability**

- NII grew by 14% YoY to ₹9,113 cr in FY26 compared to ₹8,012 cr in FY25

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- NIM for FY26 was 5.65% compared to 5.94% in FY25
- Cost of funds declined further by 32 bps to 6.75% in FY26 from 7.07% in FY25
- Other income grew by 18% YoY in FY26 to ₹2,978 cr from ₹ 2,526 cr in FY25
- Operating expenses grew by 18% YoY to ₹7,002 cr (including ₹20 cr provisioning arising from the implementation of the New Labour Codes) in FY26 from ₹5,957 cr in FY25
- Cost-to-assets ratio improved to 4.1% in FY26 from 4.3% in FY25 (excl CGFMU premium)
- PPop for FY26 grew by 11% YoY to ₹5,089 cr from ₹4,581 cr in FY25
- Provisions declined by 10% YoY to ₹1,615 cr in FY26 from ₹1,793 cr in FY25
- The net profit was ₹2,641 cr in FY26 grew by 25%YoY from ₹2,106 cr in FY25
- ROA and ROE stood at 1.6% and 14.2% respectively
- EPS at ₹35 grew by 25% YoY, Book Value Per Share (BVPS) at ₹267 grew by 16% YoY

Distribution

- In FY26, the Bank **added ~334 net touchpoints including 78 new liability branches**, mostly in urban markets
- **Expanded its Gold Loan network with the launch of 11 exclusive branches** across India, covering Jamnagar and Junagadh (Gujarat); Khammam, Vemulawada, Huzurabad and Parkal (Telangana); Mysuru and Bengaluru (Karnataka); Tiruppur and Pallavaram (Tamil Nadu); and Chalisgaon (Maharashtra).
- The Bank caters to 122 lac+ customers with a total strength of 59k+ employees

Other updates

- **Awards received in FY26 - “India’s Top 50 Companies to Work for 2025”, “India’s Top 25 Best Workplaces in BFSI 2025”, “Top 50 India’s Best Workplaces for Millennials 2025, Large Category”** received from ‘Great Place to Work’
- Launched personal banking and credit card solutions in partnership with the **Institute of Chartered Accountants (ICAI)** and **Institute of Company Secretaries of India (ICSI)** to offer CA and CS community with lifestyle banking services
- Launched **India’s first LED-enabled credit card – “AU x CheQ”** in partnership with CheQ. This card has a unique feature where it lights up on every tap through an embedded LED, offering instant visual confirmation powered by the POS terminal’s **NFC** field
- Strengthened women’s access to structured financial planning through its women-focused programme, **‘M’ circle**, aimed at enabling financial independence and long-term security.
- Onboarded **Ranbir Kapoor and Rashmika Mandanna** as the new Brand Ambassadors and also launched a new brand campaign **“Soch Badlo aur Bank Bhi”** connecting with the new-age and showcasing its tech-first outlook
- Celebrated women power with the launch of an **AI-powered Women’s Day** anthem, **“Bharat Ki Naari”**, reflecting the Bank’s inclusive and forward-looking brand philosophy

CSR initiatives:

- **AU Ignite: Bank’s skills training academy**, till date has trained 36,000+ youth in 15+ centers across 10 districts of Rajasthan, of which 26,000+ have been linked to employment; 4 trainees

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were placed overseas in Dubai, Mauritius, Royal Caribbean Cruise among others. **Trainees were felicitated by CM of Rajasthan, Shri Bhajan Lal Sharma**

- **Bano Champion: Bank's sports initiative** was active at 75+ locations across Rajasthan, 6,000 kids & youths regularly trained across 7 sports disciplines, the initiative **supported para-athlete who secured Gold Medal in Shot Put at the 24th National Para Athletics Championship** in Bhubaneswar. Also organised Exposure Camps, Coaches Development Program and Parents-Coaches Meetings to enhance athletes' and coaches' proficiency
- **AU Udyogini:** Bank's women entrepreneurship, as on date **5,995 rural women** are engaged and 3,926+ are empowered under Individual Women Entrepreneurship initiative in Rajasthan, Madhya Pradesh & Maharashtra including 5 aspirational districts, **5 AU Udyoginis from Kishangarh Bas, Alwar were honored with Letters of Appreciation by Rajasthan's CM, Shri Bhajan Lal Sharma**
- **AU Kartavya:** Bank's need-based initiatives, conducted **1,447 health checkup camps**, installed 340+ Jal Bank, 15 openair gyms, 31 police booths, Infrastructure development conducted in 21 educational institutions, flood relief provided to 7,100+ families (upto FY26)

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Summary of financials

Profit & Loss statement

(All figures in ₹ cr)	FY26	FY25	YoY	Q4'FY26	Q4'FY25	YoY	Q3'FY26	QoQ
Income								
Interest Earned	18,636	16,064	16%	5,019	4,271	18%	4,727	6%
Interest Expended	9,524	8,052	18%	2,437	2,177	12%	2,386	2%
Net Interest Income	9,113	8,012	14%	2,582	2,094	23%	2,341	10%
Other Income	2,978	2,526	18%	731	761	-4%	724	1%
Net Total Income	12,091	10,538	15%	3,313	2,855	16%	3,065	8%
Expenses								
Employee Cost	3,828	3,148	22%	1,045	817	28%	999	5%
Other Operating Expenses	3,154	2,809	12%	917	745	23%	831	10%
Operating Expenses	6,982	5,957	17%	1,962	1,562	26%	1,830	7%
PPoP	5,109	4,581	12%	1,352	1,292	5%	1,235	9%
Provisions	1,615	1,793	-10%	269	635	-58%	331	-19%
Profit Before Tax	3,494	2,788	25%	1,082	657	65%	904	20%
Tax expenses	838	682	23%	250	153	63%	221	13%
PAT before exceptional Items	2,656	2,106	26%	832	504	65%	682	22%
Exceptional items post tax	15	N.A	N.A	N.A	N.A	N.A	15	N.A
Reported Profit After Tax	2,641	2,106	25%	832	504	65%	668	25%

Note: Exceptional Items includes ₹20 cr (pre-tax) provisioning arising from the implementation of the New Labour Code

Other income

(All Figures in ₹ cr)	FY26	FY25	YoY	Q4'FY26	Q4'FY25	YoY	Q3'FY26	QoQ
Loan Assets Processing & Other Fees	1,299	1,126	15%	375	336	12%	342	10%
General Banking, Cross Sell & Deposits related fees	871	696	25%	242	227	7%	249	-3%
Credit Card	263	351	-25%	85	58	46%	65	32%
Transaction Banking & Forex services	149	101	47%	44	30	48%	39	13%
Miscellaneous Income	7	17	-60%	1	7	-83%	1	11%
Core Other Income	2,589	2,291	13%	748	658	14%	696	7%
Income from Treasury Operations	389	235	65%	(17)	102	N.A	27	N.A
Total Other Income	2,978	2,526	18%	731	761	-4%	724	1%
Other Income as % of Net Interest Income	33%	32%	N.A	28%	36%	N.A	31%	N.A

Balance sheet

(All Figures in ₹ cr)	31 st Mar'26	31 st Mar'25	YoY	31 st Dec'25	QoQ
Liabilities					
Shareholders Fund	19,974	17,166	16%	19,085	5%
Deposits	1,52,661	1,24,269	23%	1,38,415	10%
Borrowings	13,872	11,660	19%	12,022	15%
Other Liabilities and Provisions	5,291	4,751	11%	4,530	17%
Total Liabilities	1,91,797	1,57,846	22%	1,74,052	10%
Assets					
Cash and Balances	8,523	9,466	-10%	6,576	30%
Investments	44,794	37,848	18%	39,793	13%
Advances	1,34,276	1,07,092	25%	1,23,420	9%
Fixed Assets	1,436	912	57%	1,378	4%
Other Assets	2,768	2,527	10%	2,886	-4%
Total Assets	1,91,797	1,57,846	22%	1,74,052	10%
Securitized Assets	4,286	6,926	-38%	4,689	-9%

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**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 operations in April 2017. Founded in 1996 by Mr. Sanjay Agarwal, a first-generation entrepreneur, AU is entering its 10th year as a Bank, guided by a deep rooted "Dharma" of customer centric service. Over three decades, AU has built a sustainable and inclusive financial institution that empowers underserved and under reached communities through a robust retail led banking model. The Bank has received an in-principle approval from the Reserve Bank of India (RBI) to transition into a Universal Bank.

With deep customer insights across India, AU provides comprehensive banking solutions spanning deposits, loans, credit cards, premium banking, remittance services, merchant solutions, insurance, and investments. As a tech led bank, AU delivers differentiated digital experiences through innovations such as 24x7 Video Banking, WhatsApp Banking, chatbots, UPI QR solutions, merchant lending, and its award-winning AU 0101 app.

AU SFB's wide network of 2,790 banking touchpoints across 21 States and 4 Union Territories enables service to more than 1.2 crore customers, powered by a workforce of 59,200+ employees. As on 31st March 2026, Bank had shareholders' funds of ₹19,974 cr, deposit base of ₹1,52,661 cr, total loan portfolio of ₹1,40,327 cr and a balance sheet size of ₹1.9 Lac cr+.

AU SFB is listed on NSE and BSE and its fixed deposits are rated 'AA+/Stable' by CRISIL Ratings. AU SFB's long term debt rating is 'AA/Stable' by CRISIL Ratings, ICRA Ltd. and CARE Ratings.

For more details, visit: www.au.bank.in | [LinkedIn](#) | [Facebook](#) | [Twitter](#) | [Instagram](#)

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