



AU Small Finance Bank Limited

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For Immediate Release:

AU Small Finance Bank and Fincare SFB merger effective April 1, 2024, marking the completion of the first M&A among Small Finance Banks

- *AU SFB Balance Sheet to cross ~ ₹1.2 Lac Crores and set to become a true pan-India banking franchise with 1 Crore+ customers and 2,350+ physical touchpoints; 9 states to have more than 100 physical touchpoints*
- *Focus is to ensure smooth and seamless integration within the next 9-12 months and deliver best-in-class banking services and value to customers*

Mumbai, April 1, 2024: In accordance with the Reserve Bank India (RBI) approval dated March 4, 2024, AU Small Finance Bank (AU SFB), India's largest SFB, announced the amalgamation of Fincare Small Finance Bank (Fincare SFB) with and into AU SFB, effective today. This merger helps AU SFB to establish a robust pan-India retail banking franchise by leveraging complementary geographic footprints, diverse customer segments with a wider product offering and digital capabilities.

In an all-stock merger deal first announced on October 29, 2023, where the shareholders of Fincare SFB received 579 equity shares in AU SFB for every 2,000 equity shares held in Fincare SFB, the merger received final approval from RBI on March 4, 2024, with effective date of April 1, 2024. Earlier on January 23, 2024, Competition Commission of India ("CCI") granted its approval for the merger under the provisions of Section 31(1) of the Competition Act, 2002.

This is among the fastest merger approvals in Indian Merger and Acquisition (M&A) space, with all approvals received within a span of 4.5 months. With this, AU SFB becomes a formidable banking franchise with a combined base of 1 crore+ customers, 43,500+ employees, and a network of 2,350+ physical touchpoints across 25 states and union territories, having a deposit base of ₹89,854 crore and balance sheet size of ₹1,16,695 crore (all numbers are as on December 31, 2023, on proforma basis).

The focus now shifts to ensuring a smooth and seamless integration within the next 9-12 months and deliver exceptional banking services and value to the customers.

As part of this merger, Mr. Rajeev Yadav, former MD & CEO of Fincare SFB, has been designated as the Deputy CEO of AU SFB and shall continue to lead all key asset businesses of Fincare SFB, now housed within the Fincare Unit at AU SFB. AU SFB recently consolidated its operations into five business groups and 'Fincare Unit' shall become its 6th business group. Additionally, Mr. Uttam Tibrewal, Executive Director at AU SFB, has been elevated as Deputy CEO and Executive Director, AU SFB.



Post-merger, all 59 lakh plus customers of Fincare SFB will be able to experience and enjoy the best-in-class digital services and flagship products (both assets & liabilities) of AU SFB including its offerings like credit cards, QR code, video banking and AU0101.

To ensure seamless transition and minimal customer disruption due to the merger, both tech-led banks with strong customer orientation have established a dedicated task force and equipped its call centers to answer all customer queries.

The merger is also expected to provide AU SFB with enhanced access to South India, significantly expanding its distribution network. This increased presence will facilitate the distribution of the bank's diverse range of products and services to a wider customer base, strengthening its market position in the region.

Commenting on this transformative merger, **Mr. Sanjay Agarwal, Founder, MD & CEO of AU Small Finance Bank**, remarked, "*Today marks a significant milestone in our journey of building a 'Forever Bank' and I take this opportunity to welcome the customers, shareholders, and employees of Fincare to AU family. This merger represents not just the amalgamation of two entities, but the convergence of our shared vision to redefine banking excellence in India. I would like to thank the Government of India and the Reserve Bank of India and all other regulatory authorities for their blessings and expeditious approval process. With this integration, I assure them of building a well-governed, always compliant and a stronger retail banking franchise that will, over the coming decades, contribute to the growing India story. This merger underscores our commitment to financial inclusion and with our combined strength, we can serve all segments of customers, including low-income households, HNIs as well as MSMEs, through physical and digital channels both, offering a holistic bouquet of products, including cross-border business that will get launched soon under the Authorized Dealer – Category I license (AD Cat-I)*".

About AU Small Finance Bank

AU Small Finance Bank Limited (AU SFB) is a scheduled commercial bank and has established itself as the largest SFB in India since starting its banking journey in April 2017. Established in 1996 by Mr. Sanjay Agarwal, a first-generation entrepreneur, AU SFB boasts of a 28 years-legacy with deep understanding of the rural and semi-urban markets and customer segments. The Bank operates a sustainable business model that facilitates credit to the unserved and underserved retail and MSME customer segments while providing complete banking solutions to its deposit and branch banking customers. As a tech-led Bank, AU has a strong digital presence with innovative products and services like 24x7 video banking, credit card, personal loan, UPI QRs, payments, merchant lending, WhatsApp Banking, Chatbot etc. and its digital bank application AU0101 remains among the highest rated banking apps in India.

The Bank operates from 1,049 banking touchpoints across 21 States & 3 Union Territories serving 46.8 Lac customers with an employee base of 28,904 employees. As on 31st Dec'23, the Bank has a net worth of ₹12,167 Crore, deposit base of ₹80,120 Crore, Gross Advance of ₹67,624 Crore and a Balance sheet size of



₹1,01,176 Crore. AU SFB enjoys the trust of marquee investors and is listed at both NSE and BSE. It has consistently maintained high external credit Rating and is presently rated 'AA/Stable' by CRISIL, CARE Ratings and India Ratings, while the Bank's FD is rated 'AA+/Stable' from CRISIL Ratings.

For more information, please visit the company's website: www.aubank.in | Twitter: [@aubankindia](https://twitter.com/aubankindia) | Facebook: [AU Small Finance Bank](https://www.facebook.com/AU-Small-Finance-Bank) | LinkedIn: [AU Bank](https://www.linkedin.com/company/au-bank)

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