Early Warning System

AIIB-001211

India: Climate Mitigation On-lending Program - AU Small Finance Bank

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Quick Facts

Countries	India
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	FI
Voting Date	2026-11-05
Borrower	AU Small Finance Bank Limited, Prince Tiwari
Sectors	Climate and Environment, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 100.00 million
Loan Amount (USD)	$ 100.00 million
Project Cost (USD)	$ 100.00 million

Project Description

According to bank's website, the approved project aims to support India's transition to a low-carbon economy by increasing the availability of financing for climate mitigation investments. The Project contemplates up to USD100 million in senior debt financing to AU Small Finance Bank Limited (AU SFB) for on-lending to eligible sub-borrowers in India to support climate change mitigation. AU SFB is a scheduled commercial bank regulated by the Reserve Bank of India. Established in 1996 as a vehicle finance non-banking financial company, it transitioned into a small finance bank in 2017. AU SFB provides a broad range of retail and wholesale banking, treasury, and digital financial services to micro-, small-, and medium-sized enterprises, retail customers, small businesses, and underserved segments. Its lending activities support sectors including vehicle finance, affordable housing, financial inclusion, microenterprise financing, and rural livelihoods.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

A senior unsecured loan of up to USD100 million.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- AU Small Finance Bank Limited (Financial Intermediary)

Private Actors Description

AU Small Finance Bank is a private, publicly listed Indian bank serving individuals, businesses, and NRI customers. It offers savings and current accounts, fixed deposits, loans, credit cards, insurance, investments, and digital banking services, combining retail banking with small-business and rural-focused financial solutions.

Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: https://www.aiib.org/en/contact/information-request/index.html

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides Òan opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIBÕs failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.Ó Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html

Bank Documents

- Project Summary (November 6, 2026) (English)