

Ref. No.: AUSFB/SEC/2019-20/166

Date: 25th July 2019

To,

Listing Department National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. NSE Symbol: AUBANK	Department of Corporate Services, BSE Limited, Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. Scrip Code: 540611
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Dear Sirs,

Sub: Outcome of the Board Meeting – SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulation**”), this is to inform you that the Board of Directors of the Bank at its Meeting held on Thursday, 25th July, 2019 at Jaipur has inter-alia, considered and approved the following:

1. Unaudited Financial Results of the Bank for the quarter ended on 30th June, 2019 and took note of the Limited Review Report thereon, submitted by Statutory Auditors, S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants. (enclosed)
2. Press Release on the above-mentioned Unaudited Financial Results of the Bank for the quarter ended 30th June 2019.

The meeting of Board of Directors commenced at 06:30 P.M. and concluded at **07:15** P.M.

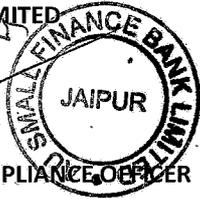
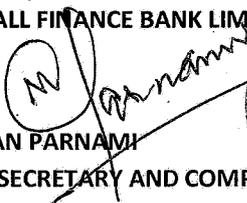


Kindly take the same on record.

Thanking You,

Yours faithfully,

For AU SMALL FINANCE BANK LIMITED



MANMOHAN PARNAMI
COMPANY SECRETARY AND COMPLIANCE OFFICER

Registered Office
AU SMALL FINANCE BANK LIMITED
19-A Dhuleshwar Garden, Ajmer Road,
Jaipur - 302001, Rajasthan, India
Phone: +91 141 4110060/61, Fax: +91 141 4110090
CIN: L36911RJ1996PLC011381
Formerly known as Au Financiers (India) Limited

Limited Review Report

**Review Report to
The Board of Directors
AU Small Finance Bank Limited**

1. We have reviewed the accompanying statement of unaudited financial results of AU Small Finance Bank Limited (the "Bank") for the quarter ended June 30, 2019 (the "Statement"). This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

Sarvesh Warty

per Sarvesh Warty

Partner

Membership No.: 121411

UDIN: 19121411AAAAGO6469

Jaipur

July 25, 2019



AU Small Finance Bank Limited

(CIN: L36911RJ1996PLC011381)

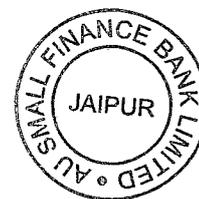
Registered Office:- 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur 302001, Rajasthan (INDIA)

Tel : +91-141-4110060, Fax No : +91- 141-4110090 Website : www.aubank.in

Statement of Unaudited Financial Results for the quarter ended Jun 30, 2019

S. No.	Particulars	(₹ in lacs)			
		Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		Unaudited	Audited (Refer note 3)	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	95,738.93	87,688.91	60,039.25	2,94,912.88
	a) Interest / discount on advances / bills	76,873.89	71,642.32	47,453.78	2,37,418.65
	b) Income on investments	14,324.34	10,943.09	6,035.16	33,386.24
	c) Interest on balances with Reserve Bank of India and other inter bank funds	421.15	559.85	763.23	3,138.29
	d) Others	4,119.55	4,543.65	5,787.08	20,969.70
2	Other income (Refer note 5)	21,094.38	13,055.10	10,301.75	46,191.10
3	Total Income (1)+(2)	1,16,833.31	1,00,744.01	70,341.00	3,41,103.98
4	Interest Expended	56,181.50	48,999.62	31,388.38	1,60,652.64
5	Operating Expenses (i)+(ii)	31,567.68	30,176.78	23,715.16	1,08,260.75
	i) Employees cost	18,589.41	15,957.11	14,054.47	60,111.07
	ii) Other operating expenses	12,978.27	14,219.67	9,660.69	48,149.68
6	Total Expenditure (4)+(5) (excluding Provisions & Contingencies)	87,749.18	79,176.40	55,103.54	2,68,913.39
7	Operating Profit before Provisions and Contingencies (3)-(6)	29,084.13	21,567.61	15,237.46	72,190.59
8	Provisions (other than tax) and Contingencies	3,151.49	3,923.14	3,511.30	14,177.59
9	Exceptional Items	-	-	-	-
10	Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	25,932.64	17,644.47	11,726.16	58,013.00
11	Tax Expense	6,900.54	5,820.86	4,043.82	19,832.32
12	Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)	19,032.10	11,823.61	7,682.34	38,180.68
13	Extraordinary items (net of tax expense)	-	-	-	-
14	Net Profit / (Loss) for the period (12)-(13)	19,032.10	11,823.61	7,682.34	38,180.68
15	Paid up equity share capital (Face Value of ₹ 10/- each)	29,239.84	29,235.75	29,003.41	29,235.75
16	Reserves excluding revaluation reserves	-	-	-	2,87,053.34
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
	(ii) Capital Adequacy Ratio - Basel II (refer note 6)	18.56%	19.31%	20.72%	19.31%
	(iii) Earnings per share (before and after extraordinary items, net of tax expenses) - not annualized				
	Basic EPS (Rs.)	6.51	4.05	2.69	13.16
	Diluted EPS (Rs.)	6.41	3.98	2.62	12.90
	(iv) NPA Ratios				
	(a) Gross NPAs	48,570.29	47,013.89	33,350.08	47,013.89
	(b) Net NPAs	28,899.50	29,450.34	21,063.54	29,450.34
	(c) % of Gross NPAs to Gross Advances	2.08%	2.04%	2.17%	2.04%
	(d) % of Net NPAs to Net Advances	1.25%	1.29%	1.38%	1.29%
	(v) Return on assets (average) - not annualized	0.57%	0.39%	0.39%	1.48%

Sayee Gaurav



AU Small Finance Bank Limited

(CIN: L36911RJ1996PLC011381)

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Segment information in accordance with the Accounting standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under :

S. No.	Particulars	(₹ in lacs)			
		Quarter ended 30.06.2019	Quarter ended 31.03.2019	Quarter ended 30.06.2018	Year ended 31.03.2019
		Unaudited	Audited (Refer note 3)	Unaudited	Audited
1	Segment revenue				
a)	Treasury	25,319.07	13,138.12	7,227.47	40,328.78
b)	Retail banking	77,628.73	72,153.80	54,084.90	2,55,045.54
c)	Wholesale banking	13,400.00	14,222.59	8,680.49	43,072.12
d)	Other banking operations	485.51	1,229.50	348.14	2,657.54
e)	Unallocated	-	-	-	-
	Less: Inter-segment revenue	-	-	-	-
	Income from operations	1,16,833.31	1,00,744.01	70,341.00	3,41,103.98
2	Segment results				
a)	Treasury	9,990.50	1,802.76	-243.01	1,139.49
b)	Retail banking	11,107.29	10,542.62	8,959.25	41,033.67
c)	Wholesale banking	4,349.34	4,069.59	2,661.78	13,182.30
d)	Other banking operations	485.51	1,229.50	348.14	2,657.54
e)	Unallocated	-	-	-	-
	Total Profit before Tax	25,932.64	17,644.47	11,726.16	58,013.00
3	Segment assets				
a)	Treasury	9,13,590.14	8,38,481.56	4,64,751.91	8,38,481.56
b)	Retail banking	19,49,714.05	19,16,739.79	12,74,446.52	19,16,739.79
c)	Wholesale banking	4,34,063.67	4,34,186.68	3,04,950.49	4,34,186.68
d)	Other banking operations	152.48	439.59	172.05	439.59
e)	Unallocated	78,674.77	72,432.03	49,870.77	72,432.03
	Total assets	33,76,195.11	32,62,279.65	20,94,191.74	32,62,279.65
4	Segment liabilities				
a)	Treasury	4,25,819.20	4,47,172.56	3,55,987.42	4,47,172.56
b)	Retail banking	12,54,150.13	11,80,776.63	7,53,973.69	11,80,776.63
c)	Wholesale banking	13,54,371.25	13,15,664.40	6,96,781.58	13,15,664.40
d)	Other banking operations	0.09	0.09	-	0.09
e)	Unallocated liabilities	5,767.84	2,376.88	3,125.81	2,376.88
	Capital and Other Reserves	3,36,086.60	3,16,289.09	2,84,323.24	3,16,289.09
	Total liabilities	33,76,195.11	32,62,279.65	20,94,191.74	32,62,279.65

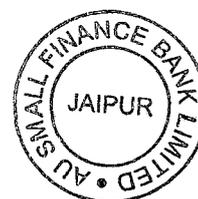
Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, and guidelines prescribed by RBI and in compliance with the Accounting Standard 17 – "Segment Reporting". The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.

Notes:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors of AU Small Finance Bank Limited (the "Bank") at their respective meetings held on July 25, 2019, in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results have been subjected to a limited review by the statutory auditors of the Bank.
- These unaudited financial results of the Bank have been prepared in accordance with the Banking Regulations Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under Section 133 of the Companies Act 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 and the guidelines issued by the Reserve Bank of India (RBI).
- The figures for the quarter ended March 31, 2019 are the balancing figures between audited figures in respect of the financial year 2018-19 and the published year to date figures upto December 31, 2018.
- During the year ended March 31, 2019, the Bank has allotted 10,104,364 convertible warrants, each convertible into one equity share of the Bank of face value Rs.10 each, at an issue price of Rs.692.77 per share aggregating to Rs.70,000 lacs out of which Rs.17,500 lacs (the "Upfront Consideration") has been received during the previous year against allotment of warrant and the balance of Rs.52,500 lacs (the "Balance Consideration") shall be received upon allotment of equity shares against such warrants pursuant to exercise of option by the warrant holder. The warrants are exercisable within 18 months from the date of allotment of warrants upon payment of the Balance Consideration.



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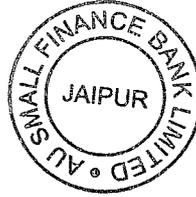
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- 5 Other income includes processing fee and other charges including marketing support fees, profit on sale of investments, recovery from loans written off, income from dealing in PSLC, etc.
Profit on sale of investment includes Rs.7,708 lacs (Rs.7,085 lacs, net of tax) pertaining to profit on sale of equity shares (part stake) held in Aavas Financiers Ltd.
- 6 The Capital adequacy ratio ("CAR") has been computed as per operating guidelines for Small Finance Banks in accordance with RBI Circular No. RBI/2016-17/81 DBR.NBD.No.26/16.13.218/2016-17 dated October 6, 2016.
The Bank has followed Basel II standardized approach for credit risk in accordance with the operating guidelines issued by the Reserve Bank of India for Small Finance Banks. Further, the RBI vide its circular No. DBR.NBD.No.4502/16.13.218/2017-18 dated November 8, 2017 has provided an exemption to all Small Finance Banks whereby no separate capital charge is prescribed for market risk and operational risk.
The Bank has considered the Upfront Consideration (as described in note 4 above) received for share warrants during the quarter ended June 30, 2018 issued and the funds raised from the issuance of share capital as part of Tier I Capital for the purposes of computation of the Capital Adequacy Ratio.
- 7 Previous periods / year figures have been regrouped where necessary to conform to current period presentation.

Place : Jaipur
Date: July 25, 2019



For and on behalf of the Board of Directors
AU Small Finance Bank Limited


Sanjay Agarwal
(Managing Director and CEO)



AU Small Finance Bank Limited
Head Office - Bank House, Mile 0,
Ajmer Road, Jaipur, Rajasthan 302001

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

For Immediate Release

AU Small Finance Bank reports 40% growth in Loans, 56% growth in PAT of Q1 FY20 with Stable Asset quality

Jaipur, July 25, 2019: The Board of Directors of AU Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for the quarter ended June 30, 2019. The results have been subjected to a limited review by the statutory auditors of the bank.

Growth on track; Aided by diversified and dominant secured retail portfolio:

- AUM grew 44.0%, Disbursement rose 40% and Deposits were up ~100% Y-o-Y; Added ~1.6 lac new deposit and loan accounts in the quarter.
- Continued focus on growing retail loans (80% of portfolio) and liabilities and being granular
- Disbursement Yields further improved up by ~90 bps q-o-q; Cost of Fund marginally declined by 10 bps to 7.9% q-o-q.
- 27% Y-o-Y growth in Wheels disbursements driven by change in mix towards USED and Cash on Wheels (CoW) segments and pull of the banking platform.
- SBL MSME disbursements up 32% Y-o-Y. Other retail loans including Housing, Gold Loan and Consumer Durable Loans growing steadily.

Stable Asset Quality despite challenging weak environment – Gross NPA at 2.1%, Net NPA at 1.3%; Higher PCR at 40.5%

- Strengthened existing monitoring and supervision mechanism across all asset classes
- Continued cautious stance on NBFC and REG; NBFC well monitored and controlled with Nil 1+ delinquency

Focused on building granular retail deposit book

- Deposits grew ~100% over Q1FY19 and came at INR 19,849 Crores; excluding Certificate of Deposits, Deposits grew 124% over Q1FY19.
- Continued momentum in Retail TD; mobilized more than 850 Crore of Retail Term Deposit; Proportion of CASA and Retail Term Deposit to Total Deposits hovers at ~46.
- Reorganized Deposit pools into separate channels of Retail, FIG including Cooperative Bank, Wholesale Deposit and Government Deposit with sharper ownership and focus; implementing design changes of shorter format branches

Maintained adequate liquidity commensurate with the market environment

- Securitized AAA rated vehicle loan pool of INR 1,336 Crores
- Divested 0.8% equity stake out of 7.2% equity in Aavas Financiers Limited resulting in pre-tax other income of INR 77 Crores

Deepening presence

- Added 10 new Business Correspondents Banking Outlets

New Product Launch

- Personal Loans; 3-in-1 Bank, Trading and Demat Account with Motilal Oswal Financial Services;
- On track for a slew of other key digital product

Fostering Customer Convenience

- Launched missed call banking
- Enabled Cardless Cash Deposit at 50 ATM's

Key Financials:

In Rs. Crore	Q1FY20	Q1FY19	Y-o-Y	Q4FY19	Q-o-Q
Net Interest Income	396	287	38%	387	2%
Other Income (Excl Profit on Sale of 0.8% equity stake in Aavas Financier Ltd)	134	103	30%	131	3%
Income from Sale of Equity Shares of Aavas Financiers Ltd.	77	-	N.A.	-	N.A.
Profit After Tax	190	77	148%	118	61%
Profit After Tax (excluding Profit from Sale of Equity Shares in Aavas Financiers Ltd.)	119	77	56%	118	1%

In Rs. Crore	Q1FY20	Q1FY19	Y-o-Y	Q4FY19	Q-o-Q
Advances	25,610	17,747	44%	24,246	5.6%
Deposits	19,849	9,999	99%	19,422	2.2%
Net Worth	3,361	2,843	18.2%	3,163	6.3%

Key Ratios

	Q1FY20	Q1FY19	Q4FY19
Gross NPA (%)	2.1%	2.2%	2.0%
Net NPA (%)	1.3%	1.4%	1.3%
Capital Adequacy Ratio (%) (CRAR)	18.6%	20.7%	19.3%
Return on Average Assets (%)	1.4%	1.5%	1.6%
Return on Average Equity (%)	14.7%	13.2%	15.3%

Commenting on the performance, Mr. Sanjay Agarwal, MD & CEO of AU Small Finance Bank said, "Albeit weak market sentiments and a challenging macro environment, growth and asset quality continued to be on track last quarter and were augmented by our diversified secured retail asset franchise as well as our prudent liquidity and risk management. Reorienting the Liability vertical into multiple focused subgroups, cost efficient design change in branch delivery model and our upcoming industry first tech, digital and payment initiatives, are all weaved in to build a customer centric retail bank", he said.

SEARCHABLE FORMAT

Ref. No.: AUSFB/SEC/2019-20/166

Date: 25th July 2019

To,

Listing Department National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. NSE Symbol: AUBANK	Department of Corporate Services, BSE Limited, Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. Scrip Code: 540611
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The meeting of Board of Directors commenced at 06:30 P.M. and concluded at 07:15 P.M.

Kindly take the same on record.

Thanking You,

Yours faithfully,

For AU SMALL FINANCE BANK LIMITED

Sd/-

MANMOHAN PARNAMI

COMPANY SECRETARY AND COMPLIANCE OFFICER

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