

Date: 28th August, 2017

To,
Department of Corporate Services,
The Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001,
Maharashtra.

Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai 400051,
Maharashtra.

Dear Sirs,

Sub: Intimation of the date of the 22nd Annual General Meeting of AU SMALL FINANCE BANK LIMITED
Ref: Regulation 30 read with PARA A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform you that the 22nd Annual General Meeting ("AGM") of the shareholders of **AU SMALL FINANCE BANK LIMITED ("the Bank")** (Erstwhile, Au FINANCIERS (INDIA) LIMITED) will be held on **Wednesday, September 27, 2017 at 02:00 P.M.** at Suryavanshi Mahal – Ground Floor, ITC Rajputana, Palace Road, Jaipur-302006, Rajasthan, India. We hereby submit a copy of the Notice for 22nd AGM of the Bank.

The Bank is providing facility to its members holding shares in physical or dematerialized form to exercise their right to vote by electronic means on any or all the business specified in the notice convening the AGM of the bank. The remote e-voting period will commence on **Sunday, September 24, 2017 (9:00 A.M.)** and ends on **Tuesday, September 26, 2017 (5:00 P.M.)**.

The bank is also offering the facility to the members to cast their vote at the AGM. Accordingly, the Bank has fixed **Wednesday, September 20, 2017** as cut-off date for determining the eligibility of the members to vote either through remote e-voting or voting at AGM.

The Register of Members and the Share Transfer Books of the Bank will remain closed from **Thursday, September 21, 2017 to Wednesday, September 27, 2017** i.e. for 7 days (both days inclusive) for the purpose of AGM of the Bank.

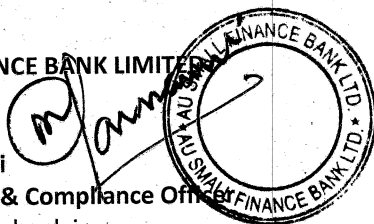
The Notice of the 22nd AGM and the Annual Report for FY 2016-17 are also available on the website of the Bank at the link <https://www.aubank.in/annual-report>

This is for your information and appropriate dissemination.

Thanking You,

For AU SMALL FINANCE BANK LIMITED

Manmohan Parnami
Company Secretary & Compliance Officer
investorrelations@aubank.in



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**

info@aubank.in | www.aubank.in

AU SMALL FINANCE BANK LIMITED
(formerly known as Au Financiers (India) Limited)

CIN: L36911RJ1996PLC011381

Registered Office: 19-A, DHULESHWAR GARDEN, AJMER ROAD,
 JAIPUR – 302001, RAJASTHAN

Tel: +91 0141 4110060 | Fax: +91 0141 4110090

Website: www.aubank.in | E-mail: investorrelations@aubank.in

Notice

Notice is hereby given that the Twenty Second (22nd) Annual General Meeting ("AGM/Meeting") of the members of AU SMALL FINANCE BANK LIMITED ("Bank") (formerly known as AU Financiers (India) Limited) will be held on Wednesday, 27th day of September, 2017 at 02:00 PM at Suryavanshi Mahal – Ground Floor, ITC Rajputana, Palace Road, Jaipur-302006, Rajasthan, India, to transact the following business:

ORDINARY BUSINESS

ITEM NO. 1: To consider and adopt:

- a. the Audited Standalone Financial Statements of the Bank for the Financial Year ended 31st March, 2017 and the reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Bank for the Financial Year ended 31st March, 2017 and the reports of the Auditors thereon.

ITEM NO. 2: To appoint a director in place of Mr. Uttam Tibrewal (DIN: 01024940), who retires by rotation and being eligible, has offered himself for re-appointment.

ITEM NO. 3: To re-appoint M/S S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants, (Registration No. 101049W/E300004) as the Statutory Auditors of the Bank

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013, read with The Companies (Audit and Auditors) Rules, 2014, and the applicable provisions of the Banking Regulation Act, 1949 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Rules, Circulars and Guidelines issued by the Reserve Bank of India from time to time and subject to approval from Reserve Bank of India and such other regulatory authorities, as may be applicable, M/s. S. R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants, (Registration No. 101049W/E300004) be and are hereby appointed as the Statutory Auditors of the Bank to hold office, from the conclusion of 22nd Annual General Meeting until till the conclusion of the 26th Annual General Meeting of Bank to be held in the calendar year 2021 subject to ratification of their appointment by the Members of the Bank at every subsequent Annual General Meeting held after this AGM and subject to prior approval of Reserve Bank of India for their appointment in every subsequent year, and on such terms and conditions, including remuneration, as approved by the Board of Directors of the Bank."

SPECIAL BUSINESS

Item No. 4: TO CONFIRM/RATIFY ARTICLE NO. 13(b) OF ARTICLES OF ASSOCIATION OF THE BANK.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 14 and other applicable provisions, if any, of the Companies Act, 2013, read with The Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), SEBI applicable rules and regulations and further subject to any other laws and regulations, as may be applicable, approval of the shareholders be and is hereby accorded for confirming/accepting existing Article 13(b) of the Articles of Association of the bank, in conformity with the Companies Act, 2013 and rules made thereunder which are read as under:-

Article 13 (b) Subject to Applicable Law, when the shares held by any shareholder(s) represent at least ten percent (10%) of the paid up equity share capital of the Company on a fully-diluted basis, such shareholder(s) shall have the right to nominate one (1) Director each and all the other shareholders shall ensure that such nominee is promptly appointed as a Director.

RESOLVED FURTHER THAT Subject to the provisions of the Companies Act, 2013 and the rules made thereunder and notwithstanding anything to the contrary contained in these Articles, shareholder(s) representing at least ten percent (10%) of the paid up equity share capital of the Company on a fully-diluted basis shall have a right to appoint, remove, reappoint, substitute from time to time, its nominee as a Director (hereinafter referred to as "the Nominee Director") on the Board of the Company and there are no special rights available with the shareholders of the company apart from above."

RESOLVED FURTHER THAT the Nominee Director(s) so appointed shall not be required to hold any qualification shares in the Company, being liable to retire by rotation and be entitled to the same rights and privileges including receiving of notices, copies of the minutes etc. except any remuneration or sitting fees as other Director of the Company is entitled.

RESOLVED FURTHER THAT the Board of Directors of the Bank be and are hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval / consent from the government departments, as may be required in this regard."

ITEM NO. 5: TO RATIFY EMPLOYEE STOCK OPTION SCHEME 2015 OF AU SMALL FINANCE BANK LIMITED

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the 'Employee Stock Option Plan 2015' ("ESOP 2015") which was implemented from August 31, 2015, as amended on January 24, 2017, salient features and other relevant details of which are provided in the explanatory statement to the notice of annual general meeting, and a copy of the aforesaid scheme as tabled at the said meeting be and is hereby approved and ratified.

RESOLVED FURTHER THAT the Company be and is hereby authorized to continue to grant further options under ESOP 2015 along with the existing grants not exceeding 8,769,252 options exercisable into not more than 8,769,252 equity shares of face value of ₹ 10/- (Rupees Ten) each fully paid-up.

RESOLVED FURTHER THAT, in case of any corporate action(s) such as rights issues, bonus issues, merger, or sale of divisions(s) of the Company or other similar events during the tenure of these grants the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits consequent to the above mentioned events shall be passed on the eligible grantees on vesting of their options under the ESOP 2015.

RESOLVED FURTHER THAT, the consent of the Company be and is hereby accorded to the Trustees of the AU FINANCIERS EMPLOYEE WELFARE TRUST to utilize the equity shares which remain unutilized with the Trust, towards the ESOP Scheme.

RESOLVED FURTHER THAT, Board and/or Nomination & remuneration Committee of the Company be and are hereby authorized to determine all other terms and conditions of the functioning and operation of the Trust.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary and desirable including without limitation, to make modifications, changes, variations, alterations or revisions in the ESOP 2015 as it may deem fit, seek requisites approvals from the appropriate authorities, appointment of consultants, advisors and other agencies.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve and bring into effect the ESOP 2015 on such terms and conditions as contained in the

Explanatory Statement to this item in the notice and to make any modifications(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOP 2015 in accordance with any guidelines or regulations that may be issued, from time to time, by any appropriate authority unless such variation(s), modification(s) or alteration(s) is detrimental to the interests of the employees including but not limited to, amendments with respect to the vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the ESOP 2015, without any form of further reference, confirmation, approvals or sanctions from the members of the Company, to the extent permissible by the SEBI (Share Based Employee Benefits) Regulations, 2014 and other relevant regulations in force."

ITEM NO. 6: TO RATIFY EMPLOYEE STOCK OPTION SCHEME 2016 OF AU SMALL FINANCE BANK LIMITED

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**

"RESOLVED THAT pursuant to Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the 'Employee Stock Option Scheme 2016' ("ESOP 2016") which was implemented from October 10, 2016, as amended on January 24, 2017 salient features and other relevant details of which are provided in the explanatory statement to the notice of annual general meeting, and a copy of the aforesaid scheme as tabled at the said meeting be and is hereby approved and ratified.

RESOLVED FURTHER THAT the Company be and is hereby authorized to continue to grant further options under ESOP 2016 along with the existing grants not exceeding 2,100,000 options exercisable into not more than 2,100,000 equity shares of face value of ₹ 10/- (Rupees Ten) each fully paid-up.

RESOLVED FURTHER THAT, in case of any corporate action(s) such as rights issues, bonus issues, merger, or sale of divisions(s) of the Company or other similar events during the tenure of these grants the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure that fair and equitable benefits consequent to the above mentioned events shall be passed on the eligible grantees on vesting of their options under the ESOP 2016.

RESOLVED FURTHER THAT, Board and/ or Nomination & remuneration Committee of the Company be and are hereby authorized to determine all other terms and conditions of the functioning and operation of the Trust.

RESOLVED FURTHER THAT, the Trustees of the AU FINANCIERS EMPLOYEE WELFARE TRUST be and are hereby authorized to determine all other terms and conditions of the functioning and operation of the Trust.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute

discretion, deem necessary and desirable including without limitation, to make modifications, changes, variations, alterations or revisions in the ESOP 2016 as it may deem fit, seek requisites approvals from the appropriate authorities, appointment of consultants, advisors and other agencies.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or to any Officer or Officers of the Company to give effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to formulate, evolve and bring into effect the ESOP 2016 on such terms and conditions as contained in the Explanatory Statement to this item in the notice and to make any modifications(s), change(s), variation(s), alteration(s) or revision(s) in the terms and conditions of the ESOP 2016 in accordance with any guidelines or regulations that may be issued, from time to time, by any appropriate authority unless such variation(s), modification(s) or alteration(s) is detrimental to the interests of the employees including but not limited to, amendments with respect to the vesting period and schedule, number of options, exercise price, exercise period, eligibility criteria or to suspend, withdraw, terminate or revise the ESOP 2016, without any form of further reference, confirmation, approvals or sanctions from the members of the Company, to the extent permissible by the SEBI (Share Based Employee Benefits) Regulations, 2014 and other relevant regulations in force."

BY THE ORDER OF THE BOARD OF DIRECTORS
FOR AU SMALL FINANCE BANK LIMITED

Place: Mumbai
Date: 9th August, 2017

Sd/-
MANMOHAN PARNAMI
COMPANY SECRETARY

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL IN THE MEETING INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of not exceeding fifty members and holding in aggregate, not more than 10% of the total paid up share capital of the Company. A member holding more than ten percent of the total paid up share capital of the company carrying voting rights may appoint a single person as proxy, provided that such person shall not act as proxy for any other person or shareholder.**
2. **An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.**
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The instrument appointing the proxy, duly completed in all respect, must be deposited at the Company's Registered office not less than 48 hours before commencement of the meeting (on or before September 25, 2017, 2.00 PM IST). A proxy form for the AGM is enclosed.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Members / Proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
9. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
10. The Register of Members and Share Transfer Books of the company will remain closed from September 21, 2017 to September 27, 2017 i.e. for 7 days (both days inclusive) for the purpose of Annual General Meeting.
11. With a view to using natural resources responsibly, we request shareholders to update their email address with their depository participants to enable the Company to send all the communications electronically including Annual Report, Notices, Circulars etc.
12. The Annual Report for the financial year 2016-17, the Notice of the 22nd AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
13. Members may also note that the Notice of 22nd AGM and the Annual Report for the financial year 2016-17 of the Company is posted on the Company's website i.e. www.aubank.in. The physical copies of the documents will also be available at the Company's registered office for inspection during the normal business hours between 10 AM to 5 PM on working days upto the date of the AGM. Members who require communication in physical form in addition to e-communication, or have any other queries, may please write to us at our e-mail id investorrelations@aubank.in

14. Brief profile and other Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent/declaration of their appointment/re-appointment as required under the Companies Act, 2013 and the Rules made thereunder.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and share Transfer Agents.
16. Attendance registration:
 - Shareholders are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.
 - The Shareholder needs to furnish the printed Attendance Slip along with a valid identity proof such as the PAN card, passport, AADHAR card or driving license to enter the AGM venue.
17. Members are requested to:
 - a) notify the change in address if any, with Pin Code numbers immediately to the Company (in case of shares held in physical mode).
 - b) quote their Regd. Folio Number/DP and Client ID Nos. in all their correspondence with the Company or its Registrar and Share Transfer Agent "RTA" i.e Link Intime India Pvt. Ltd., C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22-49186000 Fax: +91 22 49186060, Link Intime India Website: www.linkintime.co.in
18. Members who hold shares in the physical form in the multiple folios in identical names or joint holdings in the same order of names are requested to send the Share Certificate to RTA of the company, for consolidation into single folio.
19. Non-Resident Indian Members are requested to inform RTA of the Company any change in their residential status on return to India for permanent settlement, particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
20. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their

nomination in the prescribed Form No. SH-13 duly filled, to RTA, of the Bank. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

21. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of meeting to enable us to keep the information ready at the meeting.

22. Voting option:

Voting through Electronic Means:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institutes of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing remote e-voting services through e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company on remote e-Voting system.

The Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of remote e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or link <https://www.aubank.in>

23. The remote e-voting period commences on Sunday, September 24, 2017 (9:00 am) and ends on Tuesday, September 26, 2017 (5:00 pm). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 20th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
24. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date i.e. Wednesday, 20th September, 2017.**

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 27th September, 2017.

The process and manner for remote e-voting are as under:

In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :

- i. Open email and open PDF file viz; "remote e-voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.
- ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- iii. Click on Shareholder - Login.
- iv. Enter user ID and password as initial password/PIN noted in step (i) above. Click Login.
- v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- vii. Select "EVEN" of "AU Small Finance Bank Limited".
- viii. you are ready for remote e-voting as Cast Vote page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
- xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs.vmanda@gmail.com with a copy marked to evoting@nsdl.co.in

In case a Member receives physical copy of the Notice of Annual General Meeting [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the Annual General Meeting.

EVEN (Remote e-voting Event Number) USER ID PASSWORD/ PIN

- (ii) Please follow all steps from Sl. No. (ii) to (xii) above, to cast vote.

- (iii) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID). In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

25. Voting at AGM:

The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the General Meeting but have not cast their votes by availing the remote e-voting facility.

26. Please note the following:

A member may participate in the Annual General Meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the General Meeting.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Wednesday, 20th September, 2017 only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through ballot paper.

27. The Board of Directors have appointed Mr. Manoj Maheshwari, Company Secretary (Membership No. FCS: 3355), as the Scrutinizer to scrutinize the polling and remote e-voting process in a fair and transparent manner.

28. The Scrutinizer shall after the conclusion of voting at the annual general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

29. The results of voting will be declared and the same along with the Scrutinizers Report will be published on the website of the Company (www.aubank.in) and the website of NSDL (www.nsdl.com) immediately after the declaration of result by the Chairman and the same will also be communicated to BSE Limited and the National Stock Exchange of India Limited within 48 hours from the conclusion of the Annual General Meeting.

30. Other information:

Login to remote e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.

Your login id and password can be used by you exclusively for remote e-voting on the resolutions placed by the companies in which you are the shareholder.

It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 20th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or contact Company's Registrar & Transfer Agent.

However, If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or contact NSDL? at the toll free no.: 1800-222-990.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the toll free no.: 1800-222-990.

31. The route map of the venue of the Meeting is given in the Notice.

BY THE ORDER OF THE BOARD OF DIRECTORS
FOR AU SMALL FINANCE BANK LIMITED

Place: Mumbai
Date: 9th August, 2017

Sd/-
MANMOHAN PARNAMI
COMPANY SECRETARY

Explanatory Statement pursuant to the provisions of Section 102(1) of Companies Act, 2013

The following Statement sets out all material facts relating to the Special Businesses mentioned in the above Banking Notice:

Item No. 4

Company proposes for the shareholders approval on the Article 13(b) of Existing Articles of Association of the Company as stipulated by the SEBI letter dated March 22, 2017 recommended to sought shareholders' approval on the right of any shareholder

of the Company, who holds 10% or more of the paid-up equity share capital of the company on a fully diluted basis, to nominate one director on the Board of the company, the same was approved by Board of Directors in their meeting held on August 9th, 2017 as detailed herein:

The Article 13 (b) of the Articles of association of the bank states that "Subject to Applicable Law, when the shares held by any shareholder(s) represent at least ten percent (10%) of the paid up equity share capital of the Company on a fully-diluted basis, such shareholder shall have the right to nominate one (1) Director each and all the other shareholders shall ensure that such nominee is promptly appointed as a Director"

Further, Securities Exchange Board of India (SEBI) in its final observation letter dated 22nd March, 2017 recommended to sought shareholders' approval on the right of any shareholder of the Company, who holds 10% or more of the paid-up equity share capital of the company on a fully diluted basis, to nominate one director on the Board of the company through a special resolution after the listing of the equity share, the extract of the same is stated herein.

"Ensure that the right of any shareholder of the Company, who holds 10% or more of the paid-up equity share capital of the company on a fully diluted basis, to nominate one director on the Board of the company shall be exercised only after obtaining shareholders' approval through a special resolution after the listing of the equity share of the issuer company and also disclose the same suitably in the RHP. Further, ensure that post listing of the equity shares of the equity shares of the issuer company, there are no special rights available with the shareholders of the company apart from above."

Accordingly, in terms of SEBI final observation letter dated 22nd March, 2017 under Point No. 5 of Specific confirmation/ acceptance of the shareholders on Article 13 (b) of the article of association of the bank to be sought by way of special resolution.

Above is not detrimental to interest of any shareholders and Your Directors recommend passing of the enabling Resolution as set out in Item No. 4 of the Notice by way of Special Resolution.

None of the Directors/Key managerial personnel/relatives of the Directors or Key managerial personnel of the Company may be deemed to be concerned or interested in the said resolution except to the extent of their shareholding in the company.

ITEM No. 5

As per Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations), no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any scheme formulated prior to the listing of its equity shares under which share based benefits are provided to its employees unless such scheme is in conformity with this Regulations and such scheme is ratified by its shareholders subsequent to IPO.

The Bank under the approval granted by shareholders prior to listing i.e. pursuant to the resolutions passed by the shareholders on 31st August, 2015 had implemented Employee Stock Option Scheme 2015 ("ESOP 2015"). Under the extant authority given by the shareholders, the Board of Directors of the Bank (including any Committee thereof) was authorised to create, offer, issue and allot at any time, the options exercisable into such number of equity shares under ESOP 2015, in one or more tranches.

The Bank has not granted any further options under ESOP 2015 post listing and accordingly these ESOP schemes will not be into operation except for the vesting and exercise of options already granted. Hence, per above referred Regulation 12 of SEBI SBEB Regulations needs to be ratified by the shareholders after the listing of the shares. Accordingly, the Bank proposes to ratify the ESOP 2015, with certain amendments undertaken to align it with SEBI SBEB Regulations. Further, as per SEBI SBEB Regulations it is required to obtain shareholders' approval for exact quantum of options to be granted under the plans. Hence, it is proposed that future grant of stock options under ESOP 2015 in one or

more tranches, exercisable into equal number of equity shares of face value of ₹10/- each fully paid-up shall not exceed 8,769,252 options (3,836,058 in number in ESOP Scheme 2015 Plan A and 4,933,194 in number in ESOP Scheme 2015 Plan B, respectively).

Disclosures relating to new Scheme 2015 as required under the SEBI (SBEB) Regulations, 2014 are as

Particulars	Description
Brief Description of the Scheme	The purpose of the ESOP Scheme 2015 is to provide the employees with an additional incentive in the form of Options to receive the Equity Shares of the Company at a future date. The ESOP is aimed to reward its employees for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.
Total Number of options, SARs, shares or benefits, as the case may be to be granted	Stock options not exceeding 3,836,058 in number in ESOP Scheme 2015 Plan A and 4,933,194 in number in ESOP Scheme 2015 Plan B, respectively
Identification of classes of employees entitled to participate and the beneficiaries in the scheme	Present as well as future employees and Director (s) other than Independent Directors and promoters of the Company as determined by the Company or a Committee thereof.
Requirements of vesting and period of vesting	Vesting Date % of vesting of options
	1 year from the date of grant 20%
	Expiry of 1 year from 1st vesting 30%
	Expiry of 2 years from 1st vesting 50%
	Total 100%
Maximum period within which the options /SARs benefit shall be vested	The Vesting of grants can extend upto five years from the date of grant of options
The Vesting of grants can extend upto five years from the date of grant of options	Plan No. of Options with Equal nos. of Equity shares with Face Value of ₹ 10 Each Exercise Price in ₹ Per Option with Equal no. of Equity share
	EMPLOYEES STOCK OPTION PLAN 2015 PLAN – A 3,836,058 10.11
	EMPLOYEES STOCK OPTION PLAN 2015 PLAN – B 4,933,194 33.37
	Total 8,769,252
Exercise period and process of exercise	The time period of 4 years from the 1st Vesting Date within which an Employee should exercise his right to apply for Shares against the Vested Option in pursuance to this ESOP Plan. The Options shall not be permitted to be exercised after the expiry of the above mentioned Exercise Period. After the above mentioned date, all the Options vested but remaining unexercised under the ESOP Plan shall lapse and such Options which were subject thereto, shall become available for future grant under the ESOP Plan (unless the ESOP Plan is terminated). The options would be exercisable by the said employees by the payment of the consideration amount and submitting the requisite application form after which the shares would be allotted. The Board or the Committee thereof, may at its discretion, do all such acts deeds, matter and things as may be necessary /desirable to facilitate exercise of options by the employee under full cash mode or otherwise.

Particulars	Description
The appraisal process for determining the eligibility of employees for the scheme	The criteria for determining the nos. of Options to be granted to employees decided on the basis of rating, objective assessment of the performance of employees, tenure of service and their contribution and proposed role in the Company.
maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	As may be decided by Nomination and remuneration committee of the board
maximum quantum of benefits to be provided per employee under a scheme(s);	As may be decided by Nomination and remuneration committee of the board
Whether the scheme(s) is to be implemented and administered directly by the company or through a trust	The Scheme is administered through a Trust.
whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;	Both i.e New issue of shares by Bank and secondary acquisition by the Trust
the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.	As may be decided by Nomination and remuneration committee of the board
maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	As may be decided by Nomination and remuneration committee of the board, Except Corporate action may be carried out directly for crediting the securities in account of allottees
A statement to the effect that the company shall confirm to the accounting policies specified in regulation 15	It is hereby confirmed that the Company does confirm to the accounting policies specified in Regulation 15 of the SEBI (Share Based Employee Benefits) Regulations, 2015.
The method which the company shall use to value its options	The Company use intrinsic value method for accounting the cost of share based employee benefits.
In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Director's report and the impact of this difference on profits and on earnings per share (EPS) of the company shall also be disclosed in the Director's Report	It is hereby confirmed that the details as required herein will be disclosed in the Director's Report.
Lock in Period	As may be decided by Nomination and remuneration committee of the board.

Accordingly, the Board recommends the special resolution set forth in Item No. 5, for your approval.

None of the Directors, Key Managerial Personnel or relatives thereof is, in any way concerned or interested, financially or otherwise, in the said Resolution except to the extent of any Director or KMP being eligible, as an employee, to participate in the ESOP 2015.

Item No. 6

As per Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations), no company shall make any fresh grant which involves allotment or transfer of shares to its employees under any scheme formulated prior to the listing of its equity shares under which share based benefits are provided to its employees unless such scheme is in conformity with this Regulations and such scheme is ratified by its shareholders subsequent to IPO.

The Bank under the approval granted by shareholders prior to listing i.e. pursuant to the resolutions passed by the shareholders on 10th October, 2016 had implemented Employee Stock Option Scheme 2016 ("ESOP 2016"). Under the extant authority given by the shareholders, the Board of Directors of the Bank (including any Committee thereof) was authorised to create, offer, issue and allot at any time, the options exercisable into such number of equity shares under ESOP 2016, in one or more tranches.

The Bank has not granted any further options under ESOP 2016 post listing and accordingly these ESOP schemes will not be into operation except for the vesting and exercise of options already granted. Hence, per above referred Regulation 12 of SEBI SBEB

Regulations needs to be ratified by the shareholders after the listing of the shares. Accordingly, the Bank proposes to ratify the ESOP 2016, with certain amendments undertaken to align it with SEBI SBEB Regulations. Further, as per SEBI SBEB Regulations it is required to obtain shareholders' approval for exact quantum of options to be granted under the plans. Hence, it is proposed that future grant of stock options under ESOP 2016 in one or more tranches, exercisable into equal number of equity shares of face value of ₹10/- each fully paid-up shall not exceed 2,100,000 options under the above referred Scheme for which in-principle listing approval has been granted by stock exchanges.

Disclosures relating to new Scheme 2016 as required under the SEBI (SBEB) Regulations, 2014 are as under:

Particulars	Description
Brief Description of the scheme	The purpose of the ESOP Scheme 2016 is to provide the employees with an additional incentive in the form of Options to receive the Equity Shares of the Company at a future date. The ESOP is aimed to reward its employees for their continuous hard work, dedication and support. The main objective of the ESOP Scheme is to recognize employees who are performing well, a certain minimum opportunity to gain from the Company's performance thereby acting as a retention tool and to attract best talent available in the market.
Total Number of options, SARs, shares or benefits, as the case may be to be granted	Stock options not exceeding 2,100,000 in number in ESOP Scheme 2016
Identification of classes of employees entitled to participate and the beneficiaries in the scheme	Present as well as future employees and Director (s) other than Independent Directors and promoters of the Company as determined by the Company or a Committee thereof.
Requirements of vesting and period of vesting	Options granted under this scheme would vest after one year but not later than six years from the date of grant of options.
Maximum period within which the options /SARs benefit shall be vested	Options granted under this scheme would vest after one year but not later than six years from the date of grant of options
Exercise Price, SAR Price, purchase price or Pricing formula	₹ 140/- each ESOP
exercise period and process of exercise	Exercise period is six years from first vesting date and the options would be exercisable by the said employees by the payment of the consideration amount and submitting the requisite application form after which the shares would be allotted. The Board or the Committee thereof, may at its discretion, do all such acts deeds, matter and things as may be necessary /desirable to facilitate exercise of options by the employee under full cash mode or otherwise.
The appraisal process for determining the eligibility of employees for the scheme	The criteria for determining the nos. of Options to be granted to employees decided on the basis of rating, objective assessment of the performance of employees, tenure of service and their contribution and proposed role in the Company.
maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	As may be decided by Nomination and remuneration committee of the board
maximum quantum of benefits to be provided per employee under a scheme(s);	As may be decided by Nomination and remuneration committee of the board
Whether the scheme(s) is to be implemented and administered directly by the company or through a trust	The Scheme is administered through a Trust, Except Corporate action may be carried out directly for crediting the securities in account of allottees.
whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;	Both i.e New issue of shares by Bank and secondary acquisition by the Trust

Particulars	Description
the amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms etc.	As may be decided by Nomination and remuneration committee of the board
maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	As may be decided by Nomination and remuneration committee of the board.
A statement to the effect that the company shall confirm to the accounting policies specified in regulation 15	It is hereby confirmed that the Company does confirm to the accounting policies specified in Regulation 15 of the SEBI (Share Based Employee Benefits) Regulations, 2015.
The method which the company shall use to value its options	The Company use intrinsic value method for accounting the cost of share based employee benefits.
In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Director's report and the impact of this difference on profits and on earnings per share (EPS) of the company shall also be disclosed in the Director's Report	It is hereby confirmed that the details as required herein will be disclosed in the Director's Report.
Lock in Period	As may be decided by Nomination and remuneration committee of the board.

Accordingly, the Board recommends the special resolution set forth in Item No. 6, for your approval.

None of the Directors, Key Managerial Personnel or relatives thereof is, in any way concerned or interested, financially or otherwise, in the said Resolution except to the extent of any Director or KMP being eligible, as an employee, to participate in the ESOP 2016.

A copy of the existing Articles of Association of the Company, will be available for inspection by the Members at the Registered Office of the Company on all working days from 10 AM to 5 PM, except on Holidays, upto the date of Annual General Meeting.

BY THE ORDER OF THE BOARD OF DIRECTORS
FOR AU SMALL FINANCE BANK LIMITED

Place: Mumbai
Date: 9th August, 2017

Sd/-
MANMOHAN PARNAMI
COMPANY SECRETARY

BRIEF PROFILE AND OTHER INFORMATION OF DIRECTORS BEING APPOINTED / RE-APPOINTED / WHOSE REMUNERATION IS BEING REVISED, AS SET OUT IN THIS NOTICE, IN TERMS OF THE REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND THE SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF THE COMPANY SECRETARIES OF INDIA, NEW DELHI.

Age	46 Years
Date of first appointment on Board	22nd January, 2005
Qualification	Mr. Uttam Tibrewal holds bachelor's degree in commerce from the University of Delhi.
Brief Resume including experience	Mr. Uttam Tibrewal is the Whole-time Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He has been associated with our Company since the year 2003 as the head of business operations and was appointed as a Whole-time Director on February 14, 2008. Subsequently, Mr. Tibrewal was reappointed as a Whole-time Director on February 14, 2013. Pursuant to the RBI approval dated April 13, 2017, his designation was approved as a Whole-time Director of our Company.
Nature of his expertise in specific functional areas	Mr. Uttam Tibrewal has expertise in Marketing, Business Development and Brand building.
Other Directorship	Nil
Chairmanship/Membership of Committees in other companies in which position of Director is held	Nil
Relationship with other Directors, Managers and other Key Managerial Personnel of the Company	None
No. of equity shares held in the Company	25,20, 832 equity shares i.e. 0.89%
No. of board meetings attended during the year	7
Terms and conditions of appointment or re-appointment	Executive Non-Independent Director liable to retire by rotation
Remuneration sought to be paid	Basic Salary and allowance is ₹ 1.27 Cr P.A. and other Perquisites as per the terms of employment approved by RBI.

BY THE ORDER OF THE BOARD OF DIRECTORS
FOR AU SMALL FINANCE BANK LIMITED

Place: Mumbai
Date: 9th August, 2017

Sd/-
MANMOHAN PARNAMI
COMPANY SECRETARY

Route Map of the Venue for Annual General Meeting



ATTENDANCE SLIP

AU SMALL FINANCE BANK LIMITED
(Formerly known as AU Financiers (India) Limited)

CIN: L36911RJ1996PLC011381

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

I hereby record my presence at the 22nd ANNUAL GENERAL MEETING of AU SMALL FINANCE BANK LIMITED (Erstwhile AU FINANCIERS (INDIA) LIMITED) on Wednesday, 27th September, 2017 at the Suryavanshi Mahal – Ground Floor, ITC Rajputana, Palace Road, Jaipur-302006, Rajasthan, India at 2.00 pm.

Folio No..... DP ID.....Client ID.....

Name of Member.....

Name of Proxy Holder.....

Number of Shares Held.....

Signature of Member/Proxy

Notes: Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.



Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and
rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L36911RJ1996PLC011381

Name of the Bank : AU SMALL FINANCE BANK LIMITED

Registered office : 19-A Dhuleshwar Garden, Ajmer Road, Jaipur-302001, Rajasthan

Name of the member(s):

Registered Address:.....

E-mail Id:.....

Folio No/Client Id:.....

DP ID:.....

I/We, being the member(s) of AU SMALL FINANCE BANK LIMITED, holding _____ shares of the above named Bank, hereby appoint

1. Name:.....Address:.....

E-mail ID: Signature.....or failing him

2. Name:.....Address:.....

E-mail ID: Signature.....or failing him

3. Name:.....Address:.....

E-mail ID: Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Bank, to be held on Wednesday, 27th day of September, 2017 at 2.00 pm at the Suryavanshi Mahal – Ground Floor, ITC Rajputana, Palace Road, Jaipur - 302006, Rajasthan, India and/or at any adjournment thereof in respect of such resolutions as indicated below:-



S. No	Resolution	For	Against
1.	TO CONSIDER AND ADOPT: A. THE AUDITED STANDALONE FINANCIAL STATEMENTS OF THE BANK FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017 AND THE REPORTS OF THE BOARD OF DIRECTORS AND THE AUDITORS THEREON; AND B. THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE BANK FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017 AND THE REPORTS OF THE AUDITORS THEREON.		
2.	TO APPOINT A DIRECTOR IN PLACE OF MR. UTTAM TIBREWAL (DIN: 01024940), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, HAS OFFERED HIMSELF FOR RE-APPOINTMENT.		
3.	TO RE-APPOINT M/S S.R. BATLIBOI & ASSOCIATES LLP, CHARTERED ACCOUNTANTS, (REGISTRATION NO. 101049W/E300004) AS THE STATUTORY AUDITORS OF THE BANK.		
4.	TO CONFIRM/RATIFY ARTICLE NO. 13(b) OF ARTICLES OF ASSOCIATION OF THE BANK.		
5.	TO RATIFY EMPLOYEE STOCK OPTION SCHEME 2015 OF AU SMALL FINANCE BANK LIMITED.		
6.	TO RATIFY EMPLOYEE STOCK OPTION SCHEME 2016 OF AU SMALL FINANCE BANK LIMITED.		

Signed this _____ day of _____ 2017

Signature of shareholder



Signature of Proxy Holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Bank addressed to the "Company Secretary", not later than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Bank. Further, a Member holding more than ten percent of the total share capital of the Bank carrying voting rights, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

It is optional to put a (✓) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate