Ref: AUSFB/SEC/2018-19/517
Date: 30th November, 2018

To,

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

Dear Sir,

Sub: Press release on allotment of 5000 Non-Convertible Bonds.

In terms of applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that Bank has allotted 5000 (Five Thousand Only) Fully Paid-Up, Unsecured, Subordinated, Rated, Listed, Redeemable, Non-Convertible Bonds Categorized as Tier II Capital Under Basel II Framework having a Face Value of Rs. 10,00,000/- (Rupees Ten Lakh Only) each with aggregate Nominal Value of Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) on 30th November 2018.

Kindly acknowledge the receipt and make available the same to public at large.

Thanking You,

For AU Small Finance Bank Limited

Manmohan Parnami
Company Secretary & Compliance Officer

Encl: Press release on Allotment of Bonds

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 Bank further strengthens its capital adequacy, raises Tier II Capital of INR 500 Crores

Jaipur, November 30, 2018: AU Small Finance Bank [BSE: 540611; NSE: AUBANK] today announced that it has raised Tier II capital of INR 500 crores in the form of Unsecured, Subordinated, Rated, Listed, Redeemable Non-Convertible Bonds through Private Placement basis to further strengthen its Capital Adequacy (CRAR) position.

The aforesaid issue attracted strong interest from diversified base of marquee institutional investor and got fully subscribed for INR 500 crores including the green shoe option of INR 200 Crores. Subscribers to the issue included some of the largest domestic investors viz. Mutual Funds, Banks, Insurance companies and NBFCs. These Non-Convertible Bonds carry a long term rating of "AA-/stable" from both CRISIL Rating and India Rating & Research Private Limited and have a fixed maturity tenure of six and half year.

Earlier this year, Temasek Holdings, an investment arm of Government of Singapore, had committed an equity investment of INR 1000 Crores in AU Bank. Out of which, Temasek has already invested INR 475 Crores in June 2018 and the remaining amount of INR 525 Crores is expected to be invested by / before December 2019.

In accordance with Operating Guidelines for Small Finance Banks, Small Finance Banks are required to maintain a total capital adequacy ratio of 15% with a minimum Tier 1 CRAR ratio of 7.5%. As on 30th September 2018, AU Bank had a total CRAR of ~17.8% with a Tier 1 CRAR of ~17.2% indicating enough cushion for raising Tier II Capital.

Speaking on the development, Mr. Sanjay Agarwal, MD & CEO of the Bank commented that, "The issuance will further strengthen our position both in terms of our healthy Capital Adequacy and long-term resources. In the recent environment, we continue to see strong traction in retail assets and deposits and take this raise as an important milestone. As we tread further, we remain focused on building a differentiated and a customer centric and an inclusive banking franchise over next few years"

About AU Small Finance Bank:
AU Small Finance Bank Limited (AU Bank) is a Fortune India 500 Company. AU Bank happens to be the only scheduled commercial bank originating from Jaipur with ~500 touch points operational across 11 states of North, West and Central India and a team of 12,000+ employees. AU started its journey in the year 1996 as an NBFC, Au Financiers and under the aegis of Reserve Bank of India, for the last two decades, it worked relentlessly as a retail focused, customer centric premier and trusted asset financing NBFC. It touched over a million plus underbanked and unbanked customers, prior to becoming a bank in April 2017.
Long Term Credit Rating: AA-/ Stable
Short Term Credit Rating: A1+
Web: www.aubank.com | twitter: @aubankindia | facebook: https://www.facebook.com/aubankindia/

Disclaimer

Certain statements are included in this release which contain words or phrases such as "will," "aim," "will likely result," "believe," "expect," "will continue," "anticipate," "estimate," "intend," "plan," "contemplate," "seek to," "future," "objective," "goal," "project," "should," "will pursue" and similar expressions or variations of these expressions, that are "forward-looking statements." Actual results may differ materially from those suggested by the forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for various banking services, future levels of our non-performing loans, our growth and expansion, the adequacy of our allowance for credit and investment losses, technological changes, volatility in investment income, our ability to market new products, cash flow projections, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to pay dividends, the impact of changes in banking regulations and other regulatory changes on us in India and other jurisdictions, our ability to roll over our short-term funding sources and our exposure to market and operational risks. By their nature, certain of the market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated. In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this document include, but are not limited to: general economic and political conditions, instability or uncertainty in India and the other countries which have an impact on our business activities or investments caused by any factor, including terrorist attacks in India, the United States or elsewhere, anti-terrorist or other attacks by the United States, a United States-led coalition or any other country, tensions between India and Pakistan related to the Kashmir region or between India and China, military 3 armament or social unrest in any part of India; the monetary and interest rate policies of the government of India, natural calamities, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices; the performance of the financial markets in India and globally, changes in Indian and foreign laws and regulations, including tax, accounting and banking regulations, changes in competition and the pricing environment in India, and regional or general changes in asset valuations.

For Further information, please contact

AU Small Finance Bank
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