

Ref. No.: AUSFB/SEC/2018-19/49
Date: 26th April, 2018

To,

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

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

NSE Symbol : **AUBANK**

Scrip Code: **540611**

Dear Sir/Ma'am,

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

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulation"), we wish to inform you that the Board of Directors at its Meeting held on Thursday, 26th April, 2018 at Jaipur has considered and approved the Audited Financial Results of the Bank for the quarter (Q4) and year ended 31st March, 2018 and took note of the Audit Report thereon, submitted by Statutory Auditors, S.R. BATLIBOI & ASSOCIATES LLP, Chartered Accountants.

We are also pleased to inform that the Board of Directors have recommended a dividend of Rs. 0.50/- per equity share of Rs. 10 each (i.e. 5 %) out of the net profits for the year ended 31st March, 2018, subject to the approval of the shareholders at the ensuing Annual General Meeting.

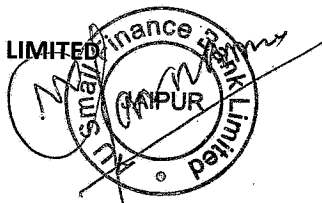
The meeting of Board of Directors commenced at 03:00 P.M. and concluded at 04:45 P.M. (2)

A copy of the Audited Financial Results along with Audit Report with unmodified opinion are enclosed herewith.

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

Thanking You

For AU SMALL FINANCE BANK LIMITED



MANMOHAN PARNAMI
COMPANY SECRETARY AND COMPLIANCE OFFICER
PLACE: JAIPUR

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

Auditor's Report on quarterly and year to date financial results of AU Small Finance Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of
AU Small Finance Bank Limited

1. We have audited the financial results of AU Small Finance Bank Limited (the "Bank") for the quarter ended March 31, 2018 and the financial results for the year ended March 31, 2018, attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). The financial results for the quarter ended March 31, 2018 are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to limited review. The financial results for the quarter ended March 31, 2018 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2017, the audited annual financial statements as at and for the year ended March 31, 2018, and the relevant requirements of Regulation 33 of the Listing Regulations and are the responsibility of the Bank's management and have been approved by the Board of Directors of the Bank. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2017 which were prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Section 133 of the Companies Act 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2018; and the relevant requirements of Regulation 33 of the Listing Regulations.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly as well as the year to date financial results:
 - i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2018 and for the year ended March 31, 2018.
4. We have not audited or reviewed the amounts appearing in the accompanying financial results for the corresponding quarter ended March 31, 2017 which have been presented solely based on the information compiled by management and approved by the Board of Directors.
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2018 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2018 and the published year-to-date figures up to December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the Listing Regulations.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Amit Kabra
Partner

Membership No.: 094533



Jaipur

April 26, 2018

AU Small Finance Bank Limited
(Formerly Au Financiers (India) Limited)

(CIN: L36911RJ1996PLC011381)

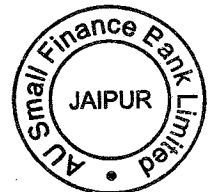
Registered Office:- 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur 302001, Rajasthan (INDIA)
Tel : +91-141-4110060, Fax No : +91- 141-4110090 Website : www.aubank.in

Statement of Audited Financials Results for the quarter and year ended March 31, 2018

(' in lacs)

Particulars	Quarter ended 31.03.2018	Quarter ended 31.12.2017	Quarter ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
	Audited	Unaudited	Unaudited	Audited	Audited
1 Interest Earned (a)+(b)+(c)+(d)	53,171.94	46,417.11	34,176.73	176,718.99	127,999.86
a) Interest / discount on advances / bills	39,737.49	32,951.23	23,740.86	125,072.17	98,097.62
b) Income on Investments	4,098.07	3,417.26	254.66	12,845.50	895.96
c) Interest on balances with Reserve Bank of India and other inter bank funds	346.40	904.57	-	4,166.64	-
d) Others	8,989.98	9,144.05	10,181.21	34,634.68	29,006.28
2 Other income (Refer note 6)	13,445.01	10,603.41	4,804.66	38,806.01	13,961.24
3 Total Income (1)+(2)	66,616.95	57,020.52	38,981.39	215,525.00	141,961.10
4 Interest Expended	24,484.77	21,374.61	12,119.49	82,672.85	49,630.78
5 Operating Expenses (i)+(ii)	26,679.95	20,354.33	11,456.09	75,260.92	35,283.23
i) Employees cost	13,554.60	11,828.68	7,085.06	42,489.08	19,277.81
ii) Other operating expenses	13,125.35	8,525.65	4,371.03	32,771.84	16,005.42
6 Total Expenditure (4)+(5) (excluding Provisions & Contingencies)	51,164.72	41,728.94	23,575.58	157,933.77	84,914.01
7 Operating Profit before Provisions and Contingencies (3)-(6)	15,452.23	15,291.58	15,405.81	57,591.23	57,047.09
8 Provisions (other than tax) and Contingencies	2,961.52	3,288.57	3,577.97	13,256.44	9,747.80
9 Exceptional Items (refer note 13)	-	-	-	-	67,034.89
10 Profit / (Loss) from Ordinary Activities before tax (7)-(8)+(9)	12,490.71	12,003.01	11,827.84	44,334.79	114,334.18
11 Tax Expense	4,186.33	4,110.81	4,036.41	15,130.83	32,136.57
12 Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)	8,304.38	7,892.20	7,791.43	29,203.96	82,197.61
13 Extraordinary items (net of tax expense)	-	-	-	-	-
14 Net Profit / (Loss) for the period (12)-(13)	8,304.38	7,892.20	7,791.43	29,203.96	82,197.61
15 Paid up equity share capital (Face Value of ` 10/- each)	28,570.36	28,562.30	28,425.09	28,570.36	28,425.09
16 Reserves excluding revaluation reserves	-	-	-	199,547.91	170,334.17
17 Analytical Ratios	Nil	Nil	Nil	Nil	Nil
(i) Percentage of shares held by Government of India	19.31%	20.96%	23.04%	19.31%	23.04%
(ii) Capital Adequacy Ratio - Basel II (refer note 11)	-	-	-	-	-
(iii) Earnings per share	-	-	-	-	-
A Earnings per equity share (including exceptional item) (not annualised)	2.91	2.77	2.74	10.26	30.18
Basic (Rs.)	2.84	2.70	2.69	10.00	29.61
Diluted (Rs.)	-	-	-	-	-
B Earnings per equity share (excluding exceptional item) (not annualised)	2.91	2.77	2.74	10.26	11.20
Basic (Rs.)	2.84	2.70	2.69	10.00	10.99
Diluted (Rs.)	-	-	-	-	-
(iv) NPA Ratios	26,973.57	28,623.11	12,451.12	26,973.57	12,451.12
(a) Gross NPAs	16,933.79	18,772.33	8,046.13	16,933.79	8,046.13
(b) Net NPAs	2.01%	2.83%	1.89%	2.01%	1.89%
(c) % of Gross NPAs to Gross Advances	1.27%	1.87%	1.22%	1.27%	1.22%
(d) % of Net NPAs to Net Advances	0.65%	0.60%	0.95%	2.04%	3.80%
(v) Return on assets (average) (excluding exceptional item) - not annualized (refer note 9)	-	-	-	-	-

Sayam Chaudhary



AU Small Finance Bank Limited
(Formerly Au Financiers (India) Limited)
(CIN: L36911RJ1996PLC011381)
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Statement of Audited Financials Results for the quarter and year ended March 31, 2018

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	Quarter ended 31.03.2018	Quarter ended	Year ended 31.03.2018
		Audited	Unaudited	Audited
1	Segment revenue			
a)	Treasury	5,687.07	4,672.72	21,029.26
b)	Retail banking	53,424.90	44,905.57	169,359.22
c)	Wholesale banking	7,296.38	7,437.76	24,923.45
d)	Other banking operations	208.60	4.47	213.07
e)	Unallocated	-	-	-
	Less: Inter-segment revenue	-	-	-
	Income from operations	66,616.95	57,020.52	215,525.00
2	Segment results			
a)	Treasury	3,234.66	2,432.38	10,533.73
b)	Retail banking	17,049.01	14,060.60	54,597.74
c)	Wholesale banking	2,227.28	1,924.15	7,027.90
d)	Other banking operations	208.60	4.47	213.07
e)	Unallocated expenses	10,228.84	6,418.59	28,037.65
	Income tax expense (including deferred tax)	4,186.33	4,110.81	15,130.83
	Extraordinary Profit/Loss	-	-	-
	Net profit	8,304.38	7,892.20	29,203.96
3	Segment assets			
a)	Treasury	471,361.85	321,256.67	471,361.85
b)	Retail banking	1,088,422.69	814,148.08	1,088,422.69
c)	Wholesale banking	264,855.03	223,396.59	264,855.03
d)	Other banking operations	64.01	-	64.01
e)	Unallocated	58,573.69	57,284.66	58,573.69
	Total assets	1,883,277.27	1,416,086.00	1,883,277.27
4	Segment liabilities			
a)	Treasury	237,798.56	77,777.36	237,798.56
b)	Retail banking	864,672.98	768,512.09	864,672.98
c)	Wholesale banking	532,452.82	330,763.44	532,452.82
d)	Other banking operations	-	-	-
e)	Unallocated liabilities	20,234.64	19,657.03	20,234.64
	Capital and Other Reserves	228,118.27	219,376.08	228,118.27
	Total liabilities	1,883,277.27	1,416,086.00	1,883,277.27

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.

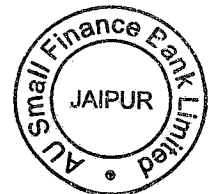
Notes:

1 Statement of Assets and Liabilities as on March 31, 2018 is given below:

Particulars	As at 31.03.2018	As at 31.03.2017
	Audited	Audited
CAPITAL & LIABILITIES		
Capital	28,570.36	28,425.09
Employees stock options outstanding	1,749.59	615.24
Reserves & Surplus	197,798.32	169,718.93
Deposits	792,331.93	-
Borrowings	763,886.47	711,988.54
Other Liabilities and Provisions	98,940.60	67,374.59
Total	1,883,277.27	978,122.39
ASSETS		
Cash and Balances with R B I	49,212.36	1,343.04
Balances with banks and Money at Call and Short Notice	126,909.51	61,152.53
Investments	305,059.44	215,031.43
Advances	1,331,213.07	655,093.57
Fixed Assets	38,608.67	27,584.42
Other Assets	32,274.22	17,917.40
Total	1,883,277.27	978,122.39



Surender Kumar



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Statement of Audited Financials Results for the quarter and year ended March 31, 2018

2. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Bank at their respective meetings held on April 26, 2018, in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results for the quarter and year ended March 31, 2018 have been audited by the statutory auditors of the Bank.

3. These audited 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).

4. The Board of Directors at their meeting proposed a dividend of Rs. 0.50 per share, subject to the approval of the members at the ensuing annual General Meeting. In terms of revised Accounting Standard (AS) 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Bank has not appropriated proposed dividend (including tax) aggregating Rs. 1,722.15 lacs from Statement of Profit and Loss for the year ended March 31, 2018. However, the effect of the proposed dividend has been reckoned in determining Capital funds in the computation of capital adequacy ratio as at March 31, 2018.

5. The figures of the last quarter in each of the year are balancing figures between audited figures in respect of full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.

6. Other income includes processing fee and other charges collected including towards marketing support fees, profit on sale of unit of mutual fund, recovery from loans written off, income from dealing in Priority Sector Lending Certificates (PSLC) etc.

7. The Bank has changed its name to AU Small Finance Bank Limited with effect from April 13, 2017 and commenced its operations as a Small Finance Bank from April 19, 2017 pursuant to the approval received from the Reserve Bank of India dated December 20, 2016.

8. NPA ratios computed including the off-balance sheet loans and advances in the total outstanding (denominator) are as given below:

Particulars	As at 31.03.2018	As at 31.12.2017	As at 31.03.2017
% of Gross NPAs to Gross Advances	1.66%	2.12%	1.16%
% of Net NPAs to Net Advances	1.05%	1.40%	0.75%

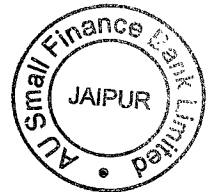
9. Return on assets is expressed as a percentage of average total assets. The return on (including exceptional item) is as given below:

Particulars	Quarter ended 31.03.2018	Quarter ended 31.12.2017	Quarter ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
Return on assets (average) (including exceptional item) - not annualized	0.65%	0.60%	0.95%	2.04%	10.23%

9a. Return on assets on average total assets (including off-balance sheet loans and advances) including and excluding exceptional item is as given below:

Particulars	Quarter ended 31.03.2018	Quarter ended 31.12.2017	Quarter ended 31.03.2017	Year ended 31.03.2018	Year ended 31.03.2017
Return on assets (average) (excluding exceptional item) - not annualized	0.43%	0.47%	0.65%	1.65%	2.72%
Return on assets (average) (including exceptional item) - not annualized	0.43%	0.47%	0.65%	1.65%	7.32%

Surya Bhatnagar



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Statement of Audited Financials Results for the quarter and year ended March 31, 2018

10. Business Segments have been identified and reported taking into account the internal business reporting system and the guidelines prescribed by RBI for the period and year ended March 31, 2018, December 31, 2017, September 30, 2017 and June 30, 2017. For the year ended March 31, 2017 and the period and quarter ended March 31, 2017 and December 31, 2016 respectively, the Bank operated in a single business segment i.e. lending to borrowers having similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The Bank operates in a single geographical segment i.e. domestic.

11. The Capital adequacy ratio ("CAR") as on March 31, 2018 and December 31, 2017 has been computed as per applicable Basel II requirements in accordance with RBI Master Circular No. DBOD.BP.BC 9/21.06.001/2013-14 dated July 1, 2013, on Prudential Guidelines on Capital Adequacy and Market Discipline – New Capital Adequacy Framework (NCAF). The capital to risk assets ratio ("CRAR") as at March 31, 2017 was computed based on RBI guidelines as applicable to NBFCs, hence the same are not comparable with the CAR as at March 31, 2018 and December 31, 2017 reported above. 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.

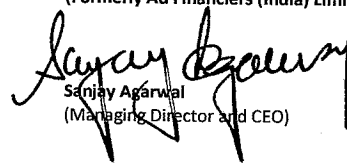
12. Consequent to commencement of operations by the Bank as a small finance bank, the Bank has revised its estimates related to provisioning and write off of loan portfolio. As a result of such change, the profit for the current period is higher by Rs 2123.57 lacs. The Bank has adopted a policy for maintaining higher provisioning and write offs as compared to the minimum provision requirements of the RBI Master Circular on Prudential Norms issued vide Notification No. RBI/2015-16/101 DBR.No.BP.BC.2/21.04.048/ 2015-16 dated July 01, 2015 as applicable to banks.

13. Exceptional items represents profit on sale of investments in subsidiaries and associate companies net of related expenses accrued in the respective periods.

14. Since the Bank is presenting its quarterly results from quarter ended June 30, 2017, the comparative figures for the corresponding period and quarter ended March 31, 2017 have not been reviewed by the auditors.

15. Previous periods / year figures have been regrouped where necessary to conform to current period presentation.

For and on behalf of the Board of Directors
AU Small Finance Bank Limited
(Formerly Au Financiers (India) Limited)


Sanjay Agarwal
(Managing Director and CEO)



Place : Jaipur
Date: April 26, 2018

