

Ref. No.: AUSFB/SEC/2024-25/295

Date: October 23, 2024

To,

<b>National Stock Exchange of India Ltd.</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra. <b>NSE Symbol: AUBANK</b>	<b>BSE Limited</b> Pheroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001, Maharashtra. <b>Scrip Code: 540611, 958400, 959025, 974093, 974094, 974095, 974914, 974963, 975017 &amp; 975038</b>
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Dear Sir/Madam,

**Sub: Board Meeting Outcome for approval of Unaudited Financial Results of AU Small Finance Bank Limited for Quarter and Half Year ended on September 30, 2024**

**Ref: Regulations 30, 33 and 51, 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In continuation to the prior intimation of Board meeting submitted vide our letter dated October 09, 2024, it is hereby informed that the Board of Directors of AU Small Finance Bank Limited ("the Bank") at its meeting held on Wednesday, October 23, 2024 has inter-alia, considered and approved Unaudited Financial Results of the Bank for the Quarter and Half Year ended on September 30, 2024.

We submit herewith a copy of Unaudited Financial Results of the Bank for the Quarter and Half Year ended on September 30, 2024 along with Limited Review Report issued by the Joint Statutory Auditors of the Bank.

The above may also be accessed on the website of the Bank at the link <https://www.aubank.in/investors/quarterly-reports>.

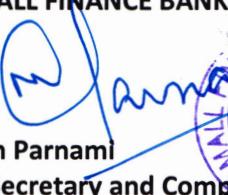
The Board meeting commenced at 12:35 P.M. and concluded at 3:25 P.M.

This is for your information and records.

Thanking You,

Yours faithfully,

**For AU SMALL FINANCE BANK LIMITED**

  
  
**Manmohan Parnami**  
**Company Secretary and Compliance Officer**  
**Membership No.: F9999**  
[investorrelations@aubank.in](mailto:investorrelations@aubank.in)

Encl: As above

**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**

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## AU Small Finance Bank Limited

(CIN: L36911RJ1996PLC011381)

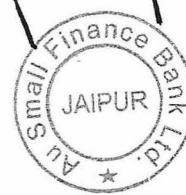
Registered Office:- 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur 302001, Rajasthan (INDIA)  
Tel : +91-141-4110060, Fax No : +91-141-4110090 Website : www.aubank.in

### Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2024

S. No.	Particulars	Quarter ended 30.09.2024	Quarter ended 30.06.2024	Quarter ended 30.09.2023	Half year ended 30.09.2024	Half year ended 30.09.2023	(₹ in lakh) Year ended 31.03.2024
		Unaudited (Refer Note 16)	Unaudited	(Refer Note 16)	Unaudited	Audited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	3,91,061.24	3,76,904.18	2,53,105.49	7,67,965.42	4,98,939.33	10,55,471.31
	a) Interest / discount on advances / bills	3,27,962.67	3,09,198.14	2,06,873.57	6,37,160.81	4,07,579.91	8,44,214.76
	b) Income on Investments	50,820.05	54,310.03	37,238.47	1,05,130.08	74,821.56	1,63,238.75
	c) Interest on balances with Reserve Bank of India and other inter bank funds	1,481.42	1,379.34	1,498.37	2,860.76	3,504.51	6,687.98
	d) Others	10,797.10	12,016.67	7,495.08	22,813.77	13,033.35	41,329.82
2	Other income (refer note 9)	63,796.45	50,927.10	40,642.19	1,14,723.55	71,389.65	1,69,714.20
3	Total Income (1)+(2)	4,54,857.69	4,27,831.28	2,93,747.68	8,82,688.97	5,70,328.98	12,25,185.51
4	Interest Expended	1,93,625.01	1,84,845.56	1,28,208.84	3,78,470.57	2,49,421.38	5,39,762.93
5	Operating Expenses (i)+(ii)	1,48,055.75	1,47,811.38	1,02,673.45	2,95,867.13	2,04,202.65	4,38,800.22
	i) Employees cost	78,549.08	79,013.55	51,201.53	1,57,562.63	1,01,905.80	2,10,368.06
	ii) Other operating expenses	69,506.67	68,797.83	51,471.92	1,38,304.50	1,02,296.85	2,28,432.16
6	Total Expenditure (4)+(5) (excluding Provisions & Contingencies)	3,41,680.76	3,32,656.94	2,30,882.29	6,74,337.70	4,53,624.03	9,78,563.15
7	Operating Profit before Provisions and Contingencies (3)-(6)	1,13,176.93	95,174.34	62,865.39	2,08,351.27	1,16,704.95	2,46,622.36
8	Provisions (other than tax) and Contingencies	37,298.80	28,284.96	9,527.37	65,583.76	12,060.90	38,999.31
9	Exceptional Items (refer note 13)	-	-	-	-	-	7,680.14
10	Profit from Ordinary Activities before tax (7)-(8)-(9)	75,878.13	66,889.38	53,338.02	1,42,767.51	1,04,644.05	1,99,942.91
11	Tax Expense	18,757.09	16,632.26	13,154.53	35,389.35	25,770.93	46,471.01
12	Net Profit from Ordinary Activities after tax (10)-(11)	57,121.04	50,257.12	40,183.49	1,07,378.16	78,873.12	1,53,471.90
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit for the period (12)-(13)	57,121.04	50,257.12	40,183.49	1,07,378.16	78,873.12	1,53,471.90
15	Paid up equity share capital (Face Value of ₹ 10/- each)	74,353.73	74,315.92	66,822.86	74,353.73	66,822.86	66,916.25
16	Reserves excluding revaluation reserves	-	-	-	-	-	11,89,036.90
17	Analytical Ratios and other disclosures:						
	(i) Percentage of shares held by Government of India	Nil	Nil	0.00%	Nil	0.00%	0.00%
	(ii) Capital Adequacy Ratio - Basel II (refer note 15)	18.51%	20.11%	22.43%	18.51%	22.43%	20.06%
	(iii) Earnings per share (before and after extraordinary items, net of tax expenses) (Face Value of ₹ 10/- each)*						
	Basic EPS (₹)	7.68	6.77	6.02	14.45	11.82	22.98
	Diluted EPS (₹)	7.65	6.74	5.98	14.39	11.74	22.86
	(iv) NPA Ratios						
	(a) Gross NPAs	1,90,168.88	1,61,317.78	1,24,475.36	1,90,168.88	1,24,475.36	1,23,740.04
	(b) Net NPAs	70,669.55	56,256.06	38,472.12	70,669.55	38,472.12	40,098.97
	(c) % of Gross NPAs to Gross Advances	1.98%	1.78%	1.91%	1.98%	1.91%	1.67%
	(d) % of Net NPAs to Net Advances	0.75%	0.63%	0.60%	0.75%	0.60%	0.55%
	(v) Return on assets (average)*^	0.43%	0.39%	0.43%	0.83%	0.85%	1.54%
	(vi) Net worth (refer note 12 a.)	15,76,852.80	15,26,290.84	11,76,268.43	15,76,852.80	11,76,268.43	12,55,953.15
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital redemption reserve / Debenture redemption reserve	-	-	-	-	-	-
	(ix) Debt-equity ratio (refer note 12 a.)	0.23	0.27	0.26	0.23	0.26	0.27
	(x) Total debts to total assets (refer note 12 a.)	6.32%	7.09%	5.57%	6.32%	5.57%	5.01%

\* Figures for the quarters / half year ended are not annualized.

^ For the periods of the current year ROA is computed based on monthly average of total assets as reported to Reserve Bank of India in Form X. For the periods of the previous year ROA is continues to be computed based on Average of Total Assets.





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(CIN: L36911RJ1996PLC011381)

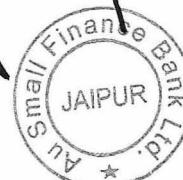
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Segment information in accordance with the RBI guidelines and Accounting Standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under :

S. No.	Particulars	Quarter ended 30.09.2024	Quarter ended 30.06.2024	Quarter ended 30.09.2023	Half year ended 30.09.2024	Half year ended 30.09.2023	Year ended 31.03.2024
		Unaudited (Refer Note 16)	Unaudited	(Refer Note 16)	Unaudited	Audited	Audited
<b>1 Segment revenue</b>							
a) Treasury	59,491.44	56,902.16	39,281.73	1,16,393.60	80,245.39	1,70,396.87	
b) Retail banking	3,49,133.16	3,27,597.43	2,17,556.07	6,76,730.59	4,27,245.40	9,07,541.76	
(i) Digital Banking*	0.06	0.04	-	0.10	-	-	
(ii) Other Retail Banking	3,49,133.10	3,27,597.39	2,17,556.07	6,76,730.49	4,27,245.40	9,07,541.76	
c) Wholesale banking	36,829.67	35,799.35	28,293.47	72,629.02	52,790.97	1,15,542.27	
d) Other banking operations	9,403.42	7,532.34	8,616.41	16,935.76	10,047.22	31,704.61	
e) Unallocated	-	-	-	-	-	-	
Less: Inter-segment revenue	-	-	-	-	-	-	
<b>Income from operations</b>	<b>4,54,857.69</b>	<b>4,27,831.28</b>	<b>2,93,747.68</b>	<b>8,82,688.97</b>	<b>5,70,328.98</b>	<b>12,25,185.51</b>	
<b>2 Segment results</b>							
a) Treasury	7,740.19	3,969.01	1,573.02	11,709.20	5,679.77	10,100.87	
b) Retail banking	49,435.07	46,396.90	34,196.42	95,831.97	73,082.49	1,34,523.03	
(i) Digital Banking*	(5.10)	(4.70)	-	(9.80)	-	-	
(ii) Other Retail Banking	49,440.17	46,401.60	34,196.42	95,841.77	73,082.49	1,34,523.03	
c) Wholesale banking	10,016.50	9,660.94	9,600.60	19,677.44	17,108.21	33,919.34	
d) Other banking operations	8,686.37	6,862.53	7,967.98	15,548.90	8,773.58	29,079.81	
e) Unallocated (refer note 13)	-	-	-	-	-	(7,680.14)	
<b>Total Profit before Tax</b>	<b>75,878.13</b>	<b>66,889.38</b>	<b>53,338.02</b>	<b>1,42,767.51</b>	<b>1,04,644.05</b>	<b>1,99,942.91</b>	
<b>3 Segment assets</b>							
a) Treasury	34,74,118.95	28,18,746.84	25,68,817.08	34,74,118.95	25,68,817.08	29,19,397.90	
b) Retail banking	85,70,322.05	80,95,796.03	57,12,178.25	85,70,322.05	57,12,178.25	64,45,504.42	
(i) Digital Banking*	17.33	18.37	-	17.33	-	-	
(ii) Other Retail Banking	85,70,304.72	80,95,777.66	57,12,178.25	85,70,304.72	57,12,178.25	64,45,504.42	
c) Wholesale banking	13,33,392.60	12,26,789.95	9,72,883.13	13,33,392.60	9,72,883.13	11,71,939.57	
d) Other banking operations	7,174.30	7,987.73	4,470.29	7,174.30	4,470.29	8,526.89	
e) Unallocated	4,97,909.47	4,44,924.59	3,39,394.62	4,97,909.47	3,39,394.62	3,97,198.21	
<b>Total assets</b>	<b>1,38,82,917.37</b>	<b>1,25,94,245.14</b>	<b>95,97,743.37</b>	<b>1,38,82,917.37</b>	<b>95,97,743.37</b>	<b>1,09,42,566.99</b>	
<b>4 Segment liabilities</b>							
a) Treasury	6,68,082.62	4,68,109.32	2,55,967.80	6,68,082.62	2,55,967.80	4,09,006.41	
b) Retail banking	60,59,132.33	58,38,966.76	43,27,039.04	60,59,132.33	43,27,039.04	49,70,439.50	
(i) Digital Banking*	117.55	144.11	-	117.55	-	-	
(ii) Other Retail Banking	60,59,014.78	58,38,822.65	43,27,039.04	60,59,014.78	43,27,039.04	49,70,439.50	
c) Wholesale banking	55,37,444.73	47,17,045.35	38,26,791.70	55,37,444.73	38,26,791.70	42,97,759.87	
d) Other banking operations	567.76	672.79	378.11	567.76	378.11	686.88	
e) Unallocated liabilities	13,567.42	17,852.39	11,298.29	13,567.42	11,298.29	8,721.18	
f) Capital and Other Reserves	16,04,122.51	15,51,598.53	11,76,268.43	16,04,122.51	11,76,268.43	12,55,953.15	
<b>Total Capital and Liabilities</b>	<b>1,38,82,917.37</b>	<b>1,25,94,245.14</b>	<b>95,97,743.37</b>	<b>1,38,82,917.37</b>	<b>95,97,743.37</b>	<b>1,09,42,566.99</b>	

\*Digital Banking Segment reported as a sub-segment of Retail Banking Segment is related to Digital Banking Units (DBUs) of the bank. As at September 30, 2024, the Bank has two DBU's. These DBUs are part of the Bank consequent to the amalgamation of erstwhile Fincare Small Finance Bank Limited from April 1, 2024.

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, the organisation structure, the internal business reporting system and guidelines prescribed by the RBI and in compliance with the Accounting Standard 17 – "Segment Reporting". The business operations of the Bank are in India and for the purpose of segment reporting as per Accounting Standard-17 (Segment reporting) the bank is considered to operate only in domestic segment.





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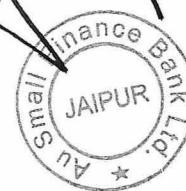
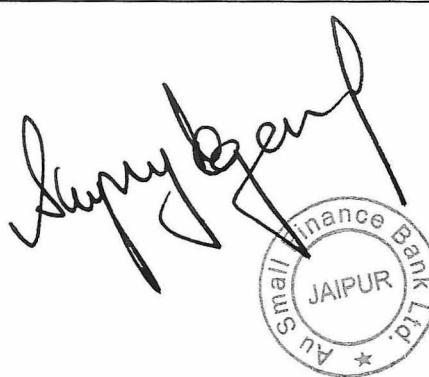
Notes:

1 Statement of Assets and Liabilities is given below:

Particulars	(₹ in lakh)		
	As at 30.09.2024	As at 30.09.2023	As at 31.03.2024
	Unaudited	Audited	Audited
<b>CAPITAL &amp; LIABILITIES</b>			
Capital	74,353.73	66,822.86	66,916.25
Employees stock options outstanding	9,320.20	5,145.73	6,272.56
Reserves & Surplus	15,20,448.58	11,04,299.84	11,82,764.34
Deposits	1,09,69,314.92	75,74,290.96	87,18,211.64
Borrowings	8,77,711.59	5,34,412.59	5,47,937.21
Other Liabilities and Provisions	4,31,768.35	3,12,771.39	4,20,464.99
<b>Total</b>	<b>1,38,82,917.37</b>	<b>95,97,743.37</b>	<b>1,09,42,566.99</b>
<b>ASSETS</b>			
Cash and Balances with RBI	7,34,471.56	4,14,599.21	4,63,800.94
Balances with banks and Money at Call and Short Notice	1,16,113.69	2,11,133.58	1,73,832.49
Investments	31,86,077.43	23,21,993.26	27,13,336.53
Advances	94,83,818.04	64,16,847.90	73,16,265.47
Fixed Assets	91,992.41	75,736.46	85,159.24
Other Assets	2,70,444.24	1,57,432.96	1,90,172.32
<b>Total</b>	<b>1,38,82,917.37</b>	<b>95,97,743.37</b>	<b>1,09,42,566.99</b>

2 Statement of Cash Flow is given below:

Particulars	(₹ in lakh)		
	Half year ended 30.09.2024 (Refer Note 5)	Half year ended 30.09.2023	Year ended 31.03.2024
	Unaudited	Audited	Audited
<b>Cash Flow From Operating Activities</b>			
Profit after tax	1,07,378.16	78,873.12	1,53,471.90
Add: Provision for tax	35,389.35	25,770.93	46,471.01
<b>Profit Before Taxes</b>	<b>1,42,767.51</b>	<b>1,04,644.05</b>	<b>1,99,942.91</b>
<b>Adjustments for :-</b>			
Expense on Employee Stock Options	1,604.24	1,353.37	3,033.50
Depreciation on Bank's Property	12,738.41	10,397.16	22,544.39
Amortization of Premium/ (Discounts) on Investments	4,835.64	4,799.75	9,587.01
Provision for Employee Benefits	594.67	470.70	1,583.32
Provision for Non Performing Assets, Standard Assets and Other Provisions	72,234.54	13,461.67	42,206.01
Loss on sale of Fixed Assets	84.42	21.64	139.57
<b>Operating profit before working capital changes</b>	<b>2,34,859.43</b>	<b>1,35,148.34</b>	<b>2,79,036.71</b>
<b>Movement in working capital</b>			
Decrease / (Increase) in Investments (other than HTM Investments)	1,78,330.93	(1,38,720.51)	(2,62,513.49)
Decrease / (Increase) in Advances	(9,55,490.15)	(5,87,081.76)	(14,84,137.22)
Decrease / (Increase) in Other Assets	(24,362.38)	145.02	(32,121.55)
(Decrease) / Increase in Deposits	11,98,933.19	6,37,792.32	17,81,713.00
(Decrease) / Increase in Other Liabilities and Provisions	(96,068.68)	(49,520.70)	27,672.14
<b>Cash Flow from Operating Activities</b>	<b>5,36,202.34</b>	<b>(2,237.29)</b>	<b>3,09,649.59</b>
Direct Taxes Paid (Net of refunds)	(40,606.53)	(25,638.76)	(48,842.61)
<b>Net Cash Flow (used in) / from Operating Activities (A)</b>	<b>4,95,595.81</b>	<b>(27,876.05)</b>	<b>2,60,806.98</b>





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Particulars	Half year ended 30.09.2024 (Refer Note 5)	Half year ended 30.09.2023	Year ended 31.03.2024
	Unaudited	Audited	Audited
<b>Cash Flow used in Investing Activities</b>			
Purchase of Fixed Assets	(13,381.51)	(12,297.99)	(34,641.74)
Proceeds from Sale of Fixed Assets	321.66	156.69	812.50
Investments in HTM securities (Net)	(3,33,960.39)	(1,79,622.06)	(4,51,646.91)
<b>Net cash flow (used in) Investing Activities (B)</b>	<b>(3,47,020.24)</b>	<b>(1,91,763.36)</b>	<b>(4,85,476.15)</b>
<b>Cash Flow used in Financing Activities</b>			
Proceeds from /(Repayment of) borrowings (Net)	(46,252.92)	(95,452.62)	(81,928.00)
Money received on exercise of Stock Options / Issue of Shares (refer note 8)	2,877.18	4,977.74	8,383.52
Dividend paid	(7,431.59)	(6,670.15)	(6,670.15)
<b>Net cash flow (used in) / from Financing Activities (C)</b>	<b>(50,807.33)</b>	<b>(97,145.03)</b>	<b>(80,214.63)</b>
<b>Net (Decrease) / Increase in Cash And Cash Equivalents (A + B + C)</b>	<b>97,768.24</b>	<b>(3,16,784.44)</b>	<b>(3,04,883.80)</b>
Cash And Cash Equivalents at the beginning of the period / year	6,37,633.43	9,42,517.23	9,42,517.23
Cash And Cash Equivalents taken over on Amalgamation	1,15,183.58	-	-
<b>Cash And Cash Equivalents at the end of the period / year</b>	<b>8,50,585.25</b>	<b>6,25,732.79</b>	<b>6,37,633.43</b>

3 The above unaudited financial 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 meetings held on October 23, 2024, in accordance with the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The financial results have been subjected to limited review by the current joint statutory auditors - M S K A & Associates, Chartered Accountants and Mukund M. Chitale & Co., Chartered Accountants of the Bank, on which they had issued unmodified conclusion. The previous periods results were reviewed / audited by previous joint statutory auditors - Deloitte Haskins & Sells, Chartered Accountants and G M. Kapadia & Co., Chartered Accountants, on which they had issued unmodified conclusion/opinion.

4 These financial results of the Bank have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to the Banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

5 The Board of Directors at its respective meetings held on October 29, 2023, approved the scheme of amalgamation ("Scheme") for the amalgamation of Fincare Small Finance Bank Limited ("Transferor Company") with AU Small Finance Bank Limited ("Transferee Company"), in accordance with Section 44A of the Banking Regulation Act, 1949 and the Reserve Bank of India Master Direction - Amalgamation of Private Sector Banks Directions, 2016.

The Scheme was approved by the shareholders of Transferor Company and Transferee Company on November 24, 2023 and November 27, 2023 respectively at their extra ordinary general meeting and by the Competition Commission of India (the "CCI") and the Reserve Bank of India (the "RBI") on January 23, 2024 and March 4, 2024 respectively.

At the request of the Transferor Company and the Transferee Company, RBI approved the appointed date as April 1, 2024.

As per the Scheme, upon its coming into effect from the effective date i.e. April 1, 2024, the entire undertaking of Fincare including all its assets, liabilities and reserves and surplus stood transferred / deemed to be transferred to and vest in AU. Further, in consideration of the transfer of and vesting of the undertaking of Fincare, 579 (Five Hundred Seventy Nine) equity shares of face value of ₹ 10/- each of AU for every 2,000 (Two Thousand) equity shares of face value of ₹ 10/- each of Fincare were issued to shareholders of Fincare on the record date i.e. March 22, 2024. Accordingly 7,35,25,352 equity shares of ₹ 10/- each of AU were allotted at par to the shareholders of Fincare vide board resolution dated April 1, 2024. In addition, the Bank is required to issue its shares on exercise of options which have been granted to the employees of the Transferor Company in terms of its ESOP plan.

Accordingly, the paid-up share capital has increased from ₹ 66,916.25 lakh consisting of 66,91,62,451 equity shares of ₹ 10/- each to ₹ 74,268.78 lakh consisting of 74,26,87,803 equity shares of ₹ 10/- each on April 1, 2024.





## 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](http://www.aubank.in)

The excess of the paid up value of equity shares of Transferor Company over the paid up value of equity shares issued as consideration amounting to ₹ 18,044.82 lakh has been transferred to Amalgamation Reserve as per the Scheme of Amalgamation.

The amalgamation has been accounted using the pooling of interest method under Accounting Standard 14 prescribed under Section 133 of the Companies Act, 2013 (AS-14), "Accounting for amalgamation" and the principles laid down in Clause 20 (b) to (g) of the approved Scheme of Amalgamation.

The assets, liabilities and reserves and surplus of Fincare were recorded by the Bank at their carrying amounts as on April 1, 2024 except for necessary adjustments which were made to bring uniformity of accounting policies as required under AS-14. The net impact of these adjustments has been adjusted in the balance of Profit and Loss Account.

The results for the quarter and half year ended September 30, 2024 include the operations of erstwhile Fincare Small Finance Bank. Hence the results for the quarter and half year ended September 30, 2024 are not comparable with that of the corresponding periods of previous year.

- 6 In compliance with the RBI Investment Master Directions dated September 12, 2023, the Bank has implemented changes relating to classification, measurement and valuation of investments with effect from April 1, 2024. Consequently, the net fair value gain of ₹ 997.71 lakh (net of taxes) has been accounted for in General Reserve as per the transition provision in the aforesaid Directions.  
In addition, the Bank has transferred balance in Investment Reserve amounting to ₹ 876.74 lakh on the date of the transition to General Reserve in compliance with these Directions.  
Subsequent changes in fair value of performing investments under Available for Sale (AFS) and Fair Value Through Profit and Loss ('FVTPL') (including sub category Held For Trading ('HFT')) categories have been recognised through AFS reserve and Profit and Loss Account respectively. Accordingly, the amounts for periods prior to April 1, 2024 are not comparable.
- 7 The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2024 except as disclosed in note 6 above. Any circular / direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars / directions.
- 8 During the quarter and half year ended September 30, 2024, the Bank has allotted 3,78,135 and 8,49,487 equity shares respectively pursuant to the exercise of options under the approved employee stock option schemes.
- 9 Other income includes processing fee, profit / loss on sale and revaluation of investments, non-fund based income such as commission earned from guarantees, selling of third party products, income from dealing in PSLC, etc.
- 10 During the half year ended September 30, 2024, the Bank has made a contingency provision on Microfinance (MFI) portfolio of ₹ 1,700 lakh.

11 Details of loans transferred / acquired during the quarter and half year ended September 30, 2024 as per RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

- (i) During the quarter and half year ended September 30, 2024, the bank has not acquired / transferred any "loans not in default" through assignment of loans.
- (ii) During the quarter and half year ended September 30, 2024, the bank has not acquired any stressed loans (Non-performing asset and Special Mention Account).

(iii) Details of MFI Non-Performing Assets (NPAs) transferred to NBFCs under Business Correspondent arrangement during the quarter and half year ended September 30, 2024:

Particulars	(₹ In Lakh)
Number of accounts	To permitted transferees
Aggregate principal outstanding of loans transferred	6,446
Weighted average residual tenor of the loans transferred (in Months)	1,195.91
Net book value of loans transferred (at the time of transfer)	5.71
Aggregate consideration (including interest)	111
Additional consideration realized in respect of accounts transferred in earlier years	1,363.92
	Nil

During the quarter and half year ended September 30, 2024, the bank has not transferred any Special Mention Account.

(iv) Details of the recovery ratings assigned to Security Receipts outstanding as at September 30, 2024:

Recovery Rating	Rating Agency	Anticipated Recovery as per Recovery Rating	Value of outstanding SRs (net of provisions) (₹ in Lakh)
RR2	Crisil Ratings	More than 75% and upto 100%	97.96
RR3	Crisil Ratings	More than 50% and upto 75%	-





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- 12 Information as required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- a. Methodology for computation of the ratios for current year's period is as follows:

Debt-equity ratio	Borrowings with residual maturity of more than one year / Sum of Capital and Reserves & Surplus
Total debts to total assets	Total borrowings of the Bank / Total Assets
Net worth	Calculated as per the Master Circular - Exposure Norms issued by the RBI

- b. Basis nature of Bank's business, the ratio's considered to be not applicable are Current Ratio, Long term debt to working capital, Bad Debts to Account receivable ratio, Current liability ratio, Debt turnover, Inventory turnover, Operating margin % and Net profit margin %.

- 13 The expenses amounting to ₹ 7,580.14 lakh, including stamp duty, has been incurred during quarter ended March 31, 2024 in relation to the acquisition and merger of Fincare Small Finance Bank Limited with the bank. Considering the size, nature or incidence of these expenses, the same has been disclosed as exceptional item.

- 14 Details of resolution plan implemented under the Resolution Framework for covid-19 related stress as per RBI circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at September 30, 2024 are given below:

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e. March 31, 2024 (A)^	Of (A), aggregate debt that slipped into NPA during the half-year ended September 30, 2024\$	Of (A), amount written off during the half-year ended September 30, 2024#	Of (A) amount paid by the borrowers during the half-year ended September 30, 2024*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. September 30, 2024
Personal Loans	2,157.02	277.87	8.01	408.67	1,470.47
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	12,838.57	622.08	12.19	1,391.74	10,824.76
<b>Total</b>	<b>14,995.59</b>	<b>899.95</b>	<b>20.20</b>	<b>1,800.41</b>	<b>12,295.23</b>

<sup>^</sup>Includes exposure of ₹ 208.24 lakh of erstwhile Fincare Small Finance Bank Limited.

<sup>\$</sup>Includes accounts which were classified as NPA earlier and subsequently upgraded to Standard during the half year ended September 30, 2024.

<sup>#</sup>Amount paid by the borrower during the half year is net of additions in the borrower amount including additions due to interest capitalisation and includes cases which have been upgraded from Restructuring as on September 30, 2024.

<sup>\*</sup>Represents debt that slipped into NPA and was subsequently written off during the half year ended September 30, 2024.

- 15 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 and other related guidelines issued thereto.

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.

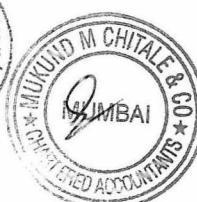
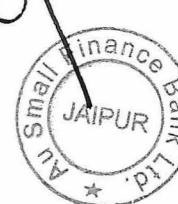
- 16 The figures for the quarter ended September 30, 2024 are the balancing figures between unaudited figures for the half year ended September 30, 2024 and unaudited figures for the quarter ended June 30, 2024.

The figures for the quarter ended September 30, 2023 are the balancing figures between audited figures for the half year ended September 30, 2023 and unaudited figures for the quarter ended June 30, 2023.

- 17 Figures of previous periods/year have been regrouped wherever necessary to conform to current period's classification.

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

Sanjay Agarwal  
(Managing Director and CEO)



Place : Jaipur  
Date: October 23, 2024



**M S K A & Associates**  
Chartered Accountants

602 Floor 6, Raheja Titanium,  
Western Express Highway,  
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**Mukund M Chitale & Co.**  
Chartered Accountants

2nd Floor, Kapur House,  
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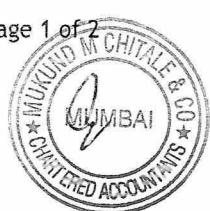
**Independent Auditors' Review Report on unaudited financial results for the quarter and half year ended September 30, 2024 of AU Small Finance Bank Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

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 and half year ended September 30, 2024 (the 'Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended ('the SEBI Regulation').
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 'Interim Financial Reporting' ('AS 25') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (the 'RBI') from time to time (the 'RBI Guidelines'), other recognized accounting principles generally accepted in India and is in compliance with the SEBI Regulation. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 are free of material misstatement. A review consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing under section 143(10) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in AS 25, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulations including the manner in which it is to be disclosed or that it contains material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.



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5.

- a) The Statement for the corresponding quarter and half year ended September 30, 2023, were audited by previous Statutory auditors whose report dated October 28, 2023, expressed an unmodified opinion;
- b) The Statement for the year ended March 31, 2024, were audited by previous Statutory auditors whose report dated April 24, 2024, expressed an unmodified opinion;
- c) The Statement for the quarter ended June 30, 2024, were reviewed by previous statutory auditors whose report dated July 25, 2024, expressed an unmodified conclusion.

Our conclusion is not modified in respect of these matters.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No.105047W

  
Tushar Kurani  
Partner  
Membership No.: 118580  
UDIN: 24118580BKFMDJ7153

Jaipur  
October 23, 2024



For Mukund M Chitale & Co.  
Chartered Accountants  
ICAI Firm Registration No.106655W

  
Abhay Kamat  
Partner  
Membership No.: 039585  
UDIN: 24039585BKCZSA8781

Jaipur  
October 23, 2024

