

Ref. No. AUSFB/SEC/2020-21/255

Date: 28th October 2020

To,

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

Sub: Presentation to Investors on the Unaudited Financial results of the Bank for the Quarter and Half Year ended on 30th September 2020.

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the Investors Presentation of the Bank on the Unaudited Financial Results for the Quarter and Half Year ended on 30th September 2020.

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

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

Thanking You,

Yours faithfully,

For AU SMALL FINANCE BANK LIMITED



MANMOHAN PARNAMI
Company Secretary and Compliance Officer
Membership No.: F9999

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



चलो आगे बढ़ें

A SCHEDULED BANK | FORTUNE INDIA 500 COMPANY

Investor Presentation

1H / Q2FY21

Digital-Led | Tech Enabled | Retail Focused | Customer Centric | Well Capitalized



October 2020

Table of Contents

1. 1H / Q2FY21 Performance Highlights
2. Building a Digital Bank
3. Branch Banking Overview
4. Assets Overview
5. Other Key Updates



1. 1H / Q2FY21 Performance Highlights



Operating Environment

- Customer confidence, business continuity, and activity levels have **considerably improved**
- **Rural sentiment is buoyed by** above average monsoon, record Kharif sowing and various government schemes
- Overall **visibility on growth has improved** significantly, and remaining clarity should emerge by Dec'20/Jan'21
- **SBL*, Business banking and HL* have shown healthy revival in demand**, with Wheels also showing steady improvement
- Few sectors like Education, Travel & Tourism and Hospitality are recovering at slower pace – **need extended handholding; Bank remains actively engaged** to help impacted customers
- Various pro-active initiatives taken by the Government and RBI including infusion of system-wide surplus liquidity, deferment, ECLGS, restructuring, waiver of interest on interest etc. have helped to mitigate the pandemic impact on borrowers

Performance Highlights

- **Digital First** journey leap-frogged during the last 6 months supported by **accelerated digital adoption** (video-banking, virtual meetings, AePS, UPI, etc.) and supportive regulations; Several initiatives being worked upon
- **Singular focus on Granular deposits** – CASA ratio (ex-CDs) increased to 21% vs 16% in Q1FY21 and 16% in Q2FY20
- **Disbursements gradually picking up** - Sep'20 at 99% of Sep'19 levels; Q2FY21 at 71% of Q2FY20
- **AUM at ₹ 30,590 Cr** with growth of 10% YoY, ~2% QoQ ; Retail AUM remains dominant at ~84%
- **Operating Cost under control** – Basis current growth estimates, we expect costs for FY21 to be inline with FY20
- **Gross NPA** at 1.5% and **Net NPA** at 0.5%; **Provision coverage** at 71%
- **PAT** was up by 28% YoY** for 1HFY21 and was up by 14% for Q2FY21 on a YoY basis
- **ROA**** for 1HFY21 was 1.7% and for Q2FY21 it was 1.8%; **ROE** was** at 16.1% for 1HFY21 and 16.5% for Q2FY21

*SBL – Secured Business Loans; HL – Housing Loans

**excluding gains on partial divestment of Aavas Financiers Ltd.

Branch Banking – Building a sustainable granular franchise

- Bank witnessed significant improvement in both **quality of deposit accretion** and **engagement levels**
- **Retail deposits (CASA + Retail TD)** now at 54% of deposits vs 45%/41% in Q1FY21/Q2FY20
- **Deposit growth** – Bank used surplus liquidity, good CASA accretion to shed bulk deposits of ~₹ 2,000Cr in Q2FY21; actively avoided taking high cost wholesale deposits; Incremental Cost of deposits in Q2FY21 declined by 90bp YoY to 6.7%
- **Gaining Market Share** - 36 branches now above 5% market share in deposits; 5 branches >10% market share*
- Added Branch footprint in 11 new locations including Agra, Jammu and Kanpur; Branch expansion to continue as planned
- Average CD ratio as on 30th Sep 2020 is 100%


Assets – Encouraging signs

- **Collection efficiencies** in Sep'20 (post-moratorium) reaching normalcy - 78% Activation in Sep'20 vs. 80% in normal course
- **Complete moratorium:** As on 30th June, 11%** of our borrowers, had availed complete moratorium. As on 31st Aug'20, (end of Moratorium period), borrowers availing complete moratorium has reduced to 5.5%**; Bank is tracking this portfolio closely, and **2.5%** of borrowers from this portfolio have become active** in Sep/Oct FY21
- **Bank carries ₹ 278 Cr of COVID-19 related provisions** which constitutes ~1% of Gross Advances; Based on activity levels of complete Moratorium cases and Collections feedback, **we have not made any further COVID-19 related provisions**
- Bank has made additional provision of ₹ 5.5 Cr (including reversal of interest income) on ₹ 25 Cr portfolio which would have slipped into NPA in the absence of Hon'ble Supreme Court order on NPA recognition

*As per the last available RBI Data

**as % of Gross Advances

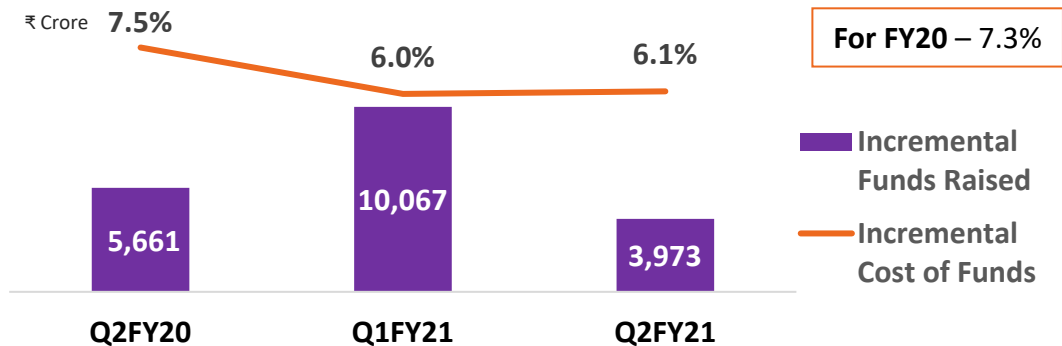
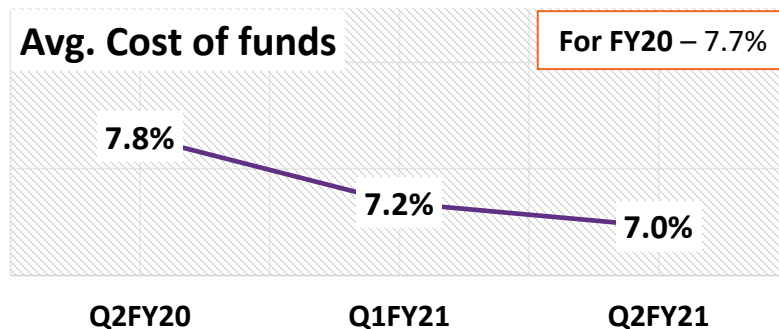
Digital Banking – Imbibing Tech in everything we do

- **QR ecosystem** - Deployed 10,000 merchant QR Codes in 100 days* – to boost CA acquisition, analytics-based lending
- **Video Banking** – Video KYC, SA and FD A/c opening modules live - 100+ SA and 30+ FD A/c opened on pilot basis
- **Complete ecosystem on digital payment** – Live on all channels (UPI, FASTag, BBPS, AePS etc.)
- Working on launching **our own Credit card** and **Pre-paid cards** to capture end to end value chain
- **Paperless Account Onboarding through TAB Banking** – after achieving ~90% SA opening via TAB, traction picking up in CA – 8k+ (~60%) new CA A/c opened paperless via TAB in Q2FY21; Live for all 3 categories - **Sole/Prop, Partnerships and Pvt. Cos.**
- **Received ISO 27001:2013 Certification** – a recognition of the Bank’s cyber security capabilities
- First Digital Annual Report () launched

AU Shopping Dhamaka – 21st Sep to 22nd Nov

- **Our biggest offers campaign launched with the onset of Festival season** – to drive merchant sales growth and deepen engagement and activation with our customers
- Engaged with **pan-India e-commerce players** (Amazon, Myntra, Grofers, BigBasket etc.) as well as with hyperlocal city-based merchants (LMB, Kanji etc.) to provide offers on our Debit Cards
- During our campaign, per day spend was 24% higher than the average*
 - 78% customers were new activations on Amazon for AU Bank
 - Online CASA leads per day went up by 5x during Amazon offer
 - 5x/20x increase in per day transactions & 7.4x/27x increase in per day spends on Myntra/Grofers

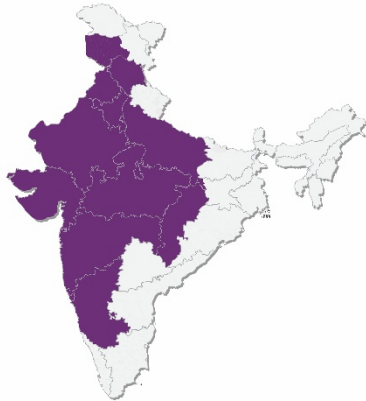
Treasury Updates



- As on 30th September'20, the bank had adequate liquidity cushion with LCR maintained at ~140% (LCR at 150% as at 30th June 2020 and 133% as at 31st March 2020) against regulatory requirement of 80%
- The Bank had maintained excess liquidity during the quarter which had an approx. impact of 18-20 bps on NIM
- With uptick in business momentum and easing of operating environment, the Bank has been focusing on reducing the excess liquidity buffers; Going forward we will maintain optimum liquidity levels basis market conditions and overall environment
- Due to adverse interest rate movement, the AFS book had MTM provisioning of ₹ 23.35 Cr
- Capital adequacy remains strong with CRAR and Tier 1 at 21.5% and 18.3% (against a minimum requirement of 15% and 7.5%) respectively. Further, the Bank holds 4.57% stake in Aavas Financiers (as on 30th Sep'20)

1H / Q2FY21 Key Financial Highlights

12 States and 2 UTs



697 Touchpoints



18.1 lakh Customers



16,755 employees



Total B/S Assets

₹ Crore

Disbursements¹

₹ Crore

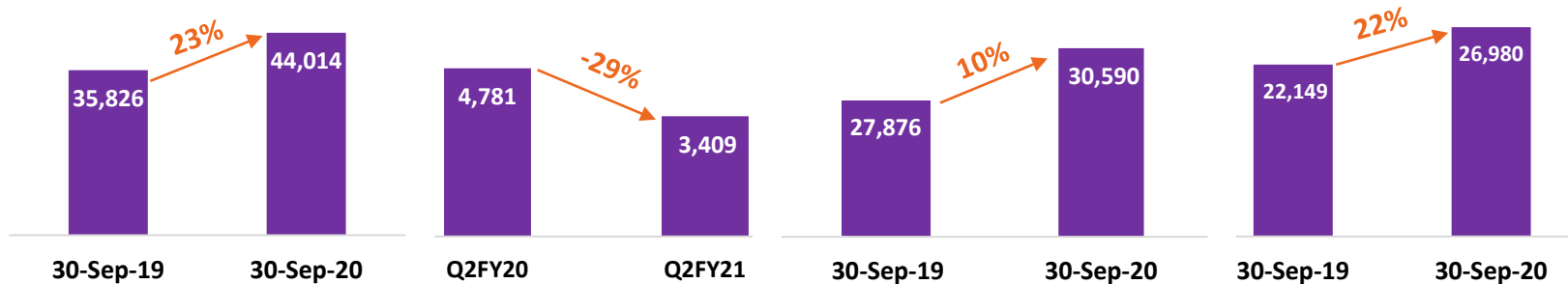
Loan Assets Under Management²

₹ Crore

Deposits³

₹ Crore

CASA Ratio⁴



21%

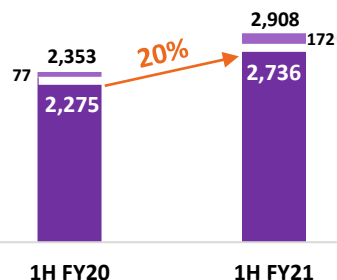
Vs.
16%
(30-Sep-19)

¹Disbursements for Q2FY21 include Non-Fund based credit facilities sanctioned and ₹ 53 Cr disbursed under TLTRO
²Money Market Term Lending by Treasury of ₹ 525 Cr as on 30th Sep 2019 is also added in Loan Assets Under Management.
³ Deposit Base of ₹ 26,980 Cr includes Certificate of Deposit of ₹ 1,635 Cr
⁴CASA Ratio is computed excluding the Certificate of Deposits from Total Deposits

1H / Q2FY21 Key Financial Highlights

Total Income

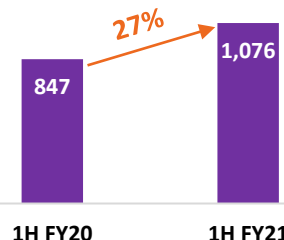
₹ Crore



Income (pre-tax) from Sale of part stake in Aavas Financiers Ltd.

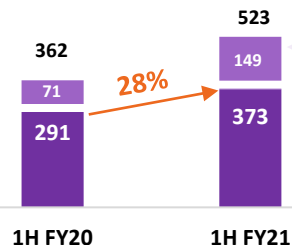
Net Interest Income

₹ Crore



PAT

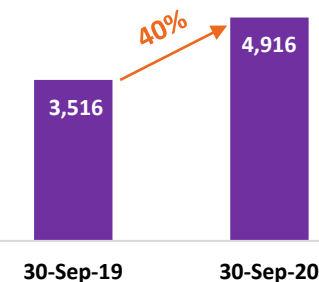
₹ Crore



Profit (after tax) from Sale of part stake in Aavas Financiers Ltd.

Net Worth

₹ Crore



Yield¹ on AUM

14.4%

Vs.

14.7%
(30-Sep-19)

Cost of Funds

7.1%

Vs.

7.9%
(1HFY20)

Net Interest Margin²

5.3%

Vs.

5.3%
(1HFY20)

ROA³ / incl Aavas Profit

1.7% / 2.4%

Vs.

1.7% / 2.1%
(1HFY20)

ROE³ / incl Aavas Profit

16.1% / 22.5%

Vs.

17.5% / 21.7%
(1HFY20)

GNPA

1.5%

Vs.

2.0%
(30-Sep-19)

NNPA

0.5%

Vs.

1.1%
(30-Sep-19)

Provision Coverage Ratio

71.1%

Vs.

43.9%
(30-Sep-19)

CRAR⁴

21.5%

Vs.

17.9%
(30-Sep-19)

Tier-I CRAR⁴

18.3%

Vs.

14.9%
(30-Sep-19)

¹Total Loan Assets AUM Yield is calculated excluding the Money Market Lending by Treasury;

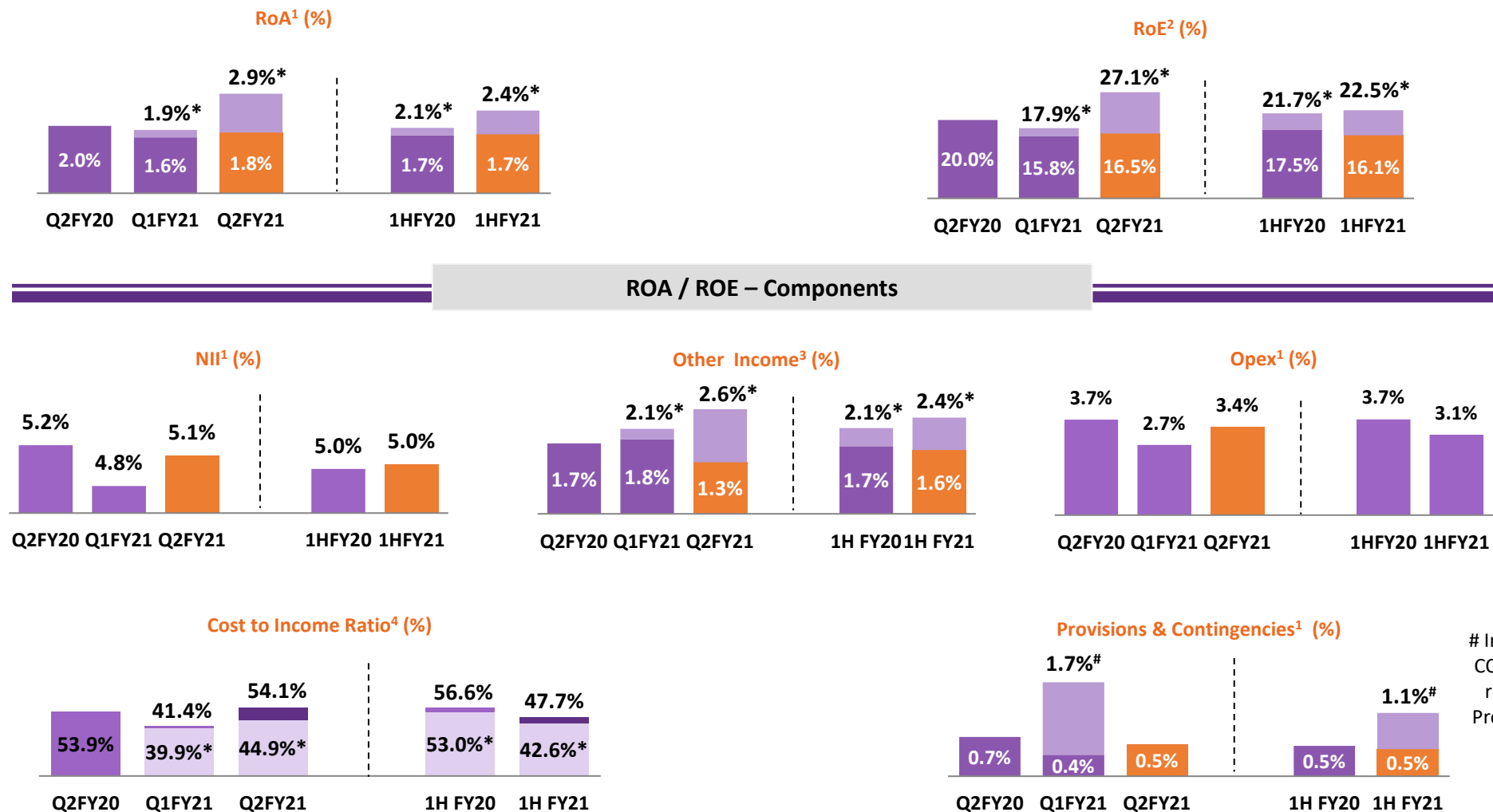
²Net Interest Margin represents Net Interest Income as % of Average Interest Earning Assets; Annualized.

³ROA represents PAT as % of Average Total Assets; Annualized; ROE represents PAT as % Net worth; Annualized

⁴CRAR and Tier 1 CRAR exclude profit for 1H

Profitability Trends

* Including Profit from Sale of part stake in Aavas Financiers Ltd.



1 ROA, NII, Opex, Provisions & Contingencies is represented as % of Avg. Total Asset; ROA excludes Profit from Sale of Investments in Aavas Financiers Ltd.; Annualized for quarterly figures

2 ROE represents PAT as % of Avg. Net worth; ROE excludes Profit from Sale of Investments in Aavas Financiers Ltd.; Annualized for quarterly figures

3 As % of sum of Avg. Total Assets; Other Income excludes Profit from Sale of Investments in Aavas Financiers Ltd.; Annualized for quarterly figures

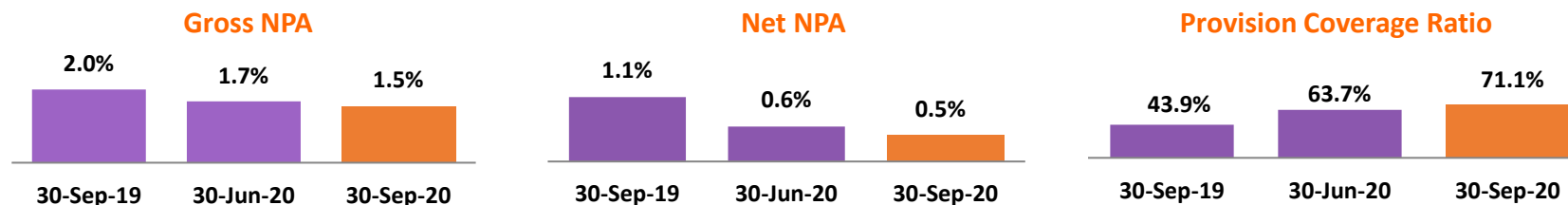
4 Cost to Income Ratio represents Operating Cost to sum of NII and Other Income; Cost to Income ratio excludes Profit from Sale of Investments in Aavas Financiers Ltd.

Asset Quality

Credit Cost - Net Impact on P/L	Q2FY20	Q1FY21	Q2FY21
(All Figures in ₹ Crore)	Unaudited	Unaudited	Unaudited
Repossession Loss	7	2	5
POS Loss	2	1	3
Write off	0	0	0
Less: Bad Debt Recovery	-6	0	-2
Net Credit Loss	4	2	6
Net Credit Loss (as % of Avg. Total Assets)	0.04%	0.02%	0.06%
Provision on NPA	24	43	16
Credit Cost – Net Impact on P/L	28	46	22
Credit Cost – Net Impact on P/L (as % of Avg. Total Assets)	0.3%	0.4%	0.2%

A reflection of quality of our sourcing, underwriting, collection, assets, customer, geographies

Movement of Gross NPA	Q2FY20	Q1FY21	Q2FY21
(All Figures in ₹ Crore)	Unaudited	Unaudited	Unaudited
Opening Gross NPA	486	458	447
Additions during the period	142	5	23
Reductions during the period	124	16	47
Gross NPA (closing)	504	447	423



GNPA and NNPA would have been 1.6% and 0.5% respectively in the absence of the Hon'ble Supreme Court's interim order. The bank has created additional provisions for these accounts.

Profit & Loss Statement – Operating PAT grows by 28% YoY



(All Figures in ₹ Crore)	1H FY21	1H FY20	Y-o-Y	Q2FY21	Q2FY20	Y-o-Y	Q1FY21	Q-o-Q
	Unaudited	Unaudited		Unaudited	Unaudited		Unaudited	
Income								
Interest Earned	2,397	1,991	20%	1,212	1,033	17%	1,184	2%
Interest Expended	1,320	1,144	15%	652	582	12%	668	-2%
Net Interest Income	1,076	847	27%	561	452	24%	516	9%
Other Income	340	285	19%	141	151	-6%	199	-29%
Income from sale of Equity Shares of Aavas Financiers Ltd.	172	77	123%	144	0	-	27	-
Total Net Income	1,588	1,209	31%	846	602	40%	742	14%
Expenses								
Employee Cost	404	368	10%	224	182	23%	179	25%
Other Operating Expenses	273	272	0%	156	143	9%	117	33%
Total Operating Expenses	676	640	6%	380	325	17%	296	28%
Operating Profit before Provisions and Contingencies	912	569	60%	466	278	68%	446	5%
Provisions (other than tax) and Contingencies	99	93	6%	57	61	-6%	41	40%
COVID-19 Provisions	140	0	-	0	0		140	-
Exceptional Items	0	0	-	0	0	-	0	-
Profit Before Tax	673	476	41%	409	217	88%	264	54%
Tax expenses	151	114	32%	87	45	94%	64	37%
Profit After Tax	523	362	44%	322	172	87%	201	60%
Profit After Tax (excluding Profit from sale of Equity Shares of Aavas Financiers Ltd.)	373	291	28%	196	172	14%	177	11%

Balance Sheet – Total Assets grew 23% YoY



(All Figures in ₹ Crore)	Sep 30 , 2020	Sep 30 , 2019	Y-o-Y	Jun 30 , 2020	Q-o-Q
	Unaudited	Unaudited		Unaudited	
<u>Liabilities</u>					
Capital	307	293	4%	306	0%
Money received against Share Warrants	-	175	-	-	-
Employees stock options outstanding	52	52	-1%	49	5%
Reserves and Surplus	4,558	2,995	52%	4,232	8%
Deposits	26,980	22,149	22%	26,734	1%
Borrowings	10,123	8,583	18%	11,454	-12%
Other Liabilities and Provisions	1,995	1,578	26%	1,491	34%
Total Liabilities	44,014	35,826	23%	44,267	-1%
<u>Assets</u>					
Cash and Balances with R B I	1,110	1,244	-11%	998	11%
Balances with banks and Money at Call and Short Notice	3,216	283	1038%	4,470	-28%
Investments	11,241	8,434	33%	11,374	-1%
Advances	27,233	24,809	10%	26,250	4%
Fixed Assets	452	442	2%	446	1%
Other Assets	762	615	24%	729	5%
Total Assets	44,014	35,826	23%	44,267	-1%

Details of Other Income and Outstanding Provisions

Other Income

(All Figures in ₹ Crore)	Q2FY20	Q1FY21	Q2FY21
Break-up of Other Income	Unaudited	Unaudited	Unaudited
Loan Assets Processing & Other fees	80	14	54
General Banking & Deposits related fees	15	13	23
Cross Sell, Distribution related fees & others	9	4	6
PSLC Premium / Fees	10	8	8
Income from Treasury Operations	28	158	46
Income from sale of Equity Shares of Aavas Financiers Ltd.	-	27	144
Bad Debt recovery	9	1	4
Other Income Total	151	226	286

Outstanding Provisions

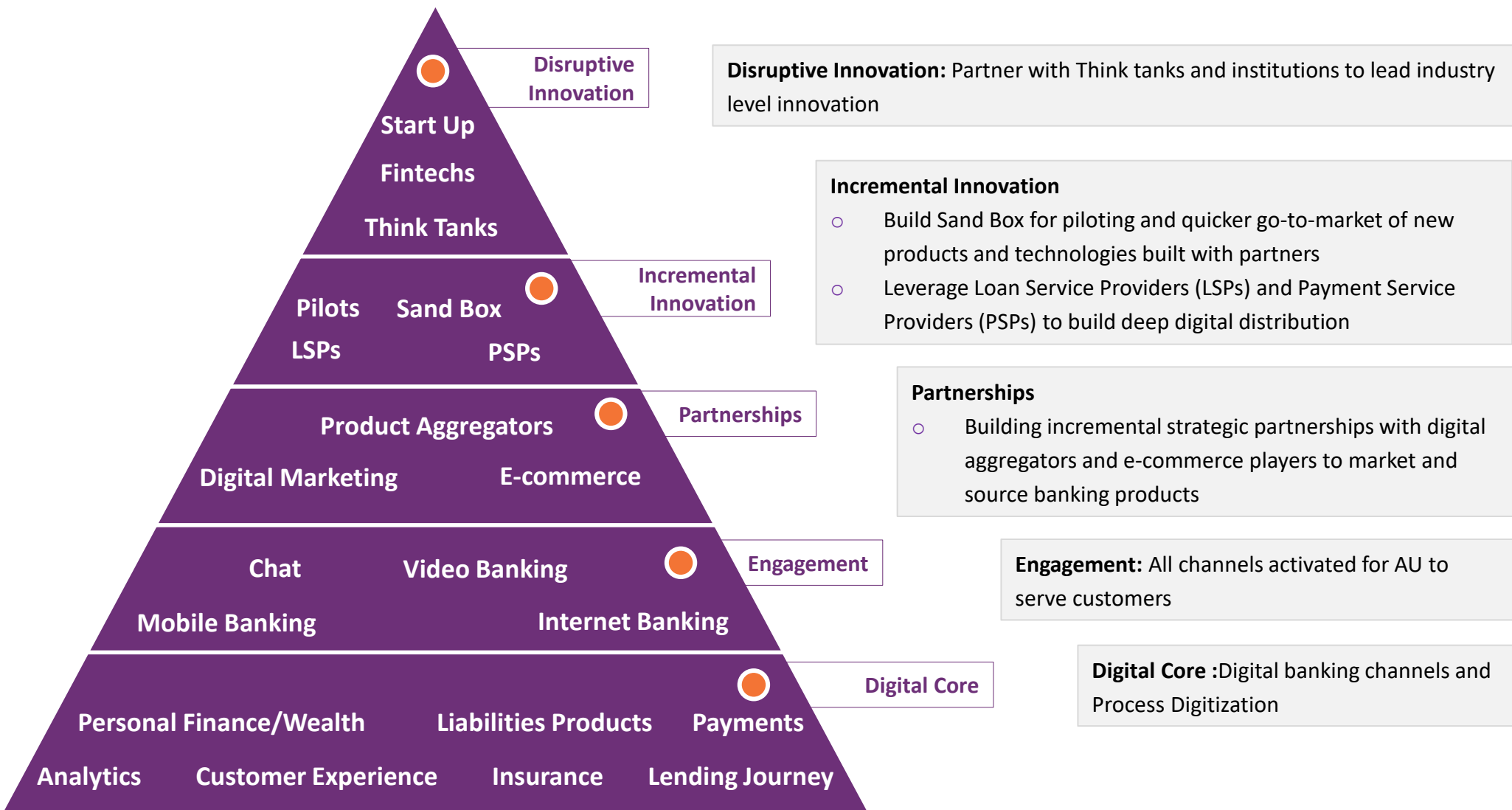
(All Figures in ₹ Crore)	As on 30 th Sep 2019	As on 30 th Jun 2020	As on 30 th Sep 2020
NPA Provisions	221	284	300
General Asset Provisions (COVID related)	-	278	278
Provisions for Standard Assets	116	116	120
Contingency Provisions*	-	-	5.5
Total	337	679	704
Total as % of Advances	1.4%	2.5%	2.6%

*Provisions for NPA not declared pursuant to Hon'ble Supreme Court order

2. Building a Digital Bank



Vision Framework – Digital Bank



Upcoming – New Age Internet & Mobile Banking and Credit Card

- New banking platforms (Internet and Mobile) with more than 130 unique features live for employees
- Own platform for Credit Card with Fiserv launch planned in FY21



Video Banking

- Building end-to-end video banking solutions for customer Acquisition for Deposits /PL/ CD/ Investments & Insurance, customer-service and Engagement
- 100+ Saving Accounts & 30+ Fixed Deposit opened in Q2



WhatsApp and Chatbot Banking

- 15+ services available for customers
- ~ 10K unique monthly users & ~ 45K transactions in Q2



Digital Lending

- Customer facing digital Lending journey with integration of 48 APIs for Personal Loan and Consumer Finance
- Pre-approved, Straight Through Journey went live for wheels with Maruti. Other OEMs in pipeline
- Marketplace for all OEMs/Dealers launch scheduled in Q4FY21



Data Analytics

- Risk based scorecards for Personal Loan, Credit Cards and Secured Business Loan rolled out
- Pre-approved offers and real time offer generation

Branch Banking

- Paperless procedures for Branch Banking products
- Across products paperless acquisition – CA (8K+), SA (62K+), FD(18K+) and RD (2K+) in Q2FY21



Lending

- Assisted digital lending journey for Two Wheelers, Wheels, SBL, Home Loan and Corporate Lending products
- Digital journeys included in the roadmap



CRM – Sales and Customer Service

- Mobile App based end-to-end sales management tool for 6K+ employees
- Customer service request and complaint management



Collections

- Built 100% WFH capabilities for the entire Tele calling unit for collections



Making AU Primary Bank of the customer through digital

Ease of Onboarding

Tab banking (CA and SA), Video KYC, Whatsapp Banking, AU Abhi

Access to all payment channels

Live on AePS, UPI, QR, FasTag, NEFT, RTGS, IMPS and Bill Payments (BBPS)

Best in Class Platforms

Completely new mobile and internet banking platform (Live for employees)

Multiple channels for Customer service

Chatbot - Auro
Missed call banking and Whatsapp Banking
Toll-free Number (1800 1200 1200) and IVR

Investment and Saving Solutions

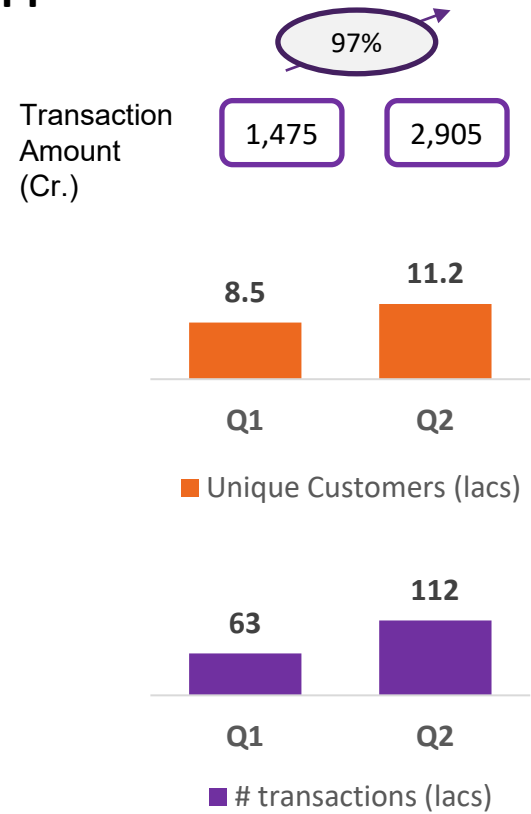
3-in-1 Trading account, Online IPO application platform
Insurance (Life, General and Health) – Open architecture
Online Mutual Fund Investment Platform – AU Insta MF

Enhancing brand visibility

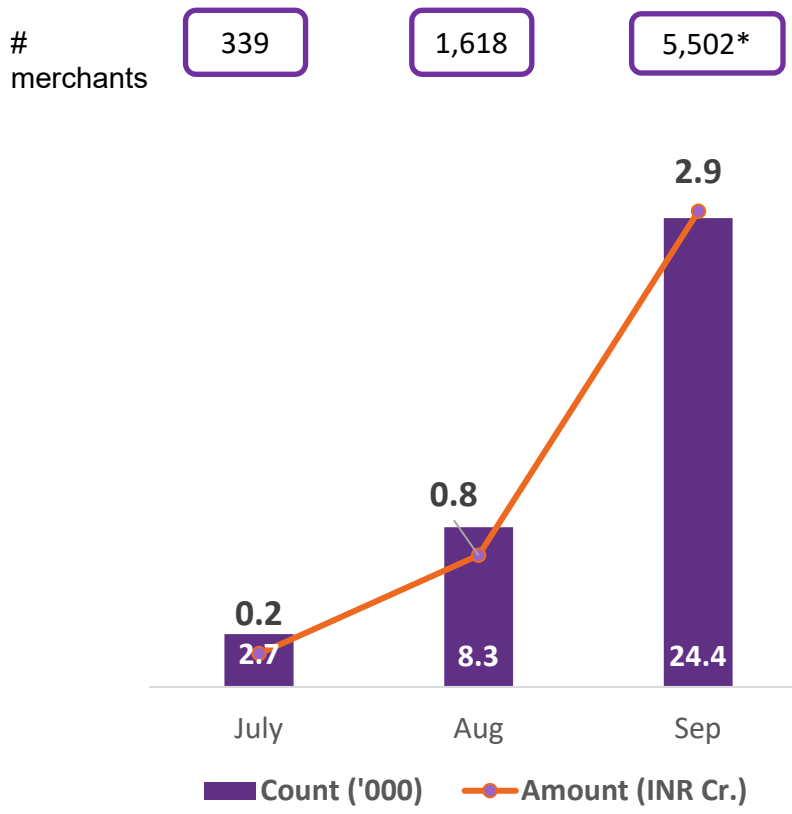
AU Shopping Dhamaka (September 21st – November 22nd 2020)
Offers on premium platforms (Amazon, Myntra, Swiggy and Zomato)
Hyperlocal offers at important and prominent local city-based stores - LMB, Kanji etc.

Payment Snapshot

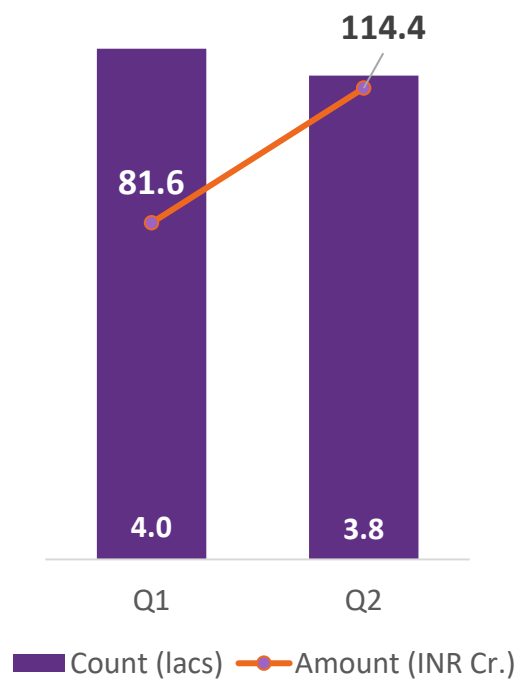
UPI



UPI QR



AePS



- UPI – 11 lac unique customers, ~1.1 cr. transactions worth ₹ ~3K cr. executed in Q2FY21

- UPI QR: 5K+ active merchants; 60K+ transactions worth ~ ₹ 7 cr. executed in Q2;* as on 15th Oct, it is 10,000+

- AePS: 8 lac transactions worth ~ ₹ 200 cr. in FY21

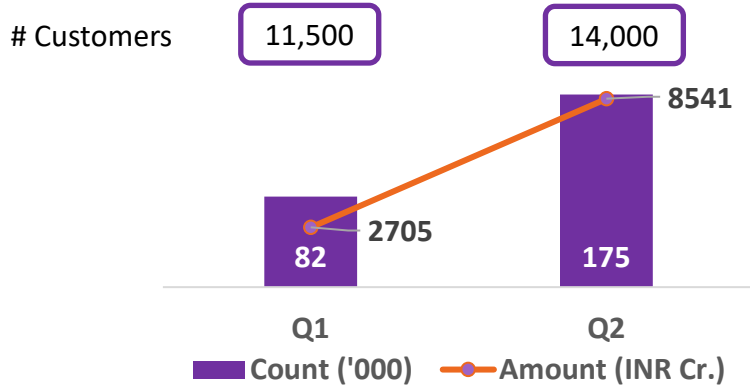
- 1500+ BBPS transactions worth ₹ 60+ lacs executed in FY21. 25 FASTags were issued on a pilot basis

Increasing Digital Traction – Transactions, Banking & Visibility



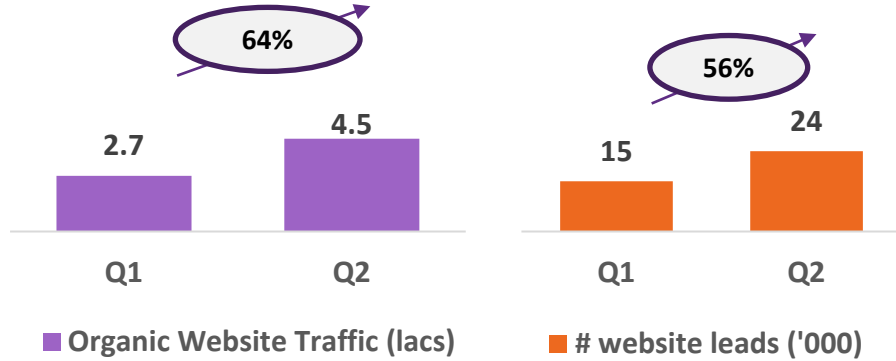
Corporate Internet Banking

Increasing user base with transactions increasing rapidly



Bank Website

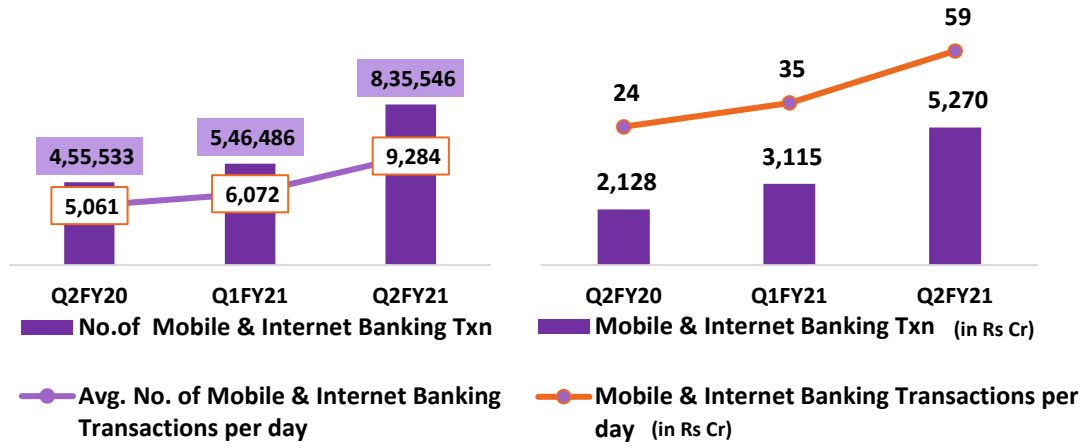
Strong growth in organic traffic through various engagement activities



AU Bank brand was visible
2.15 Cr+
 times across social media

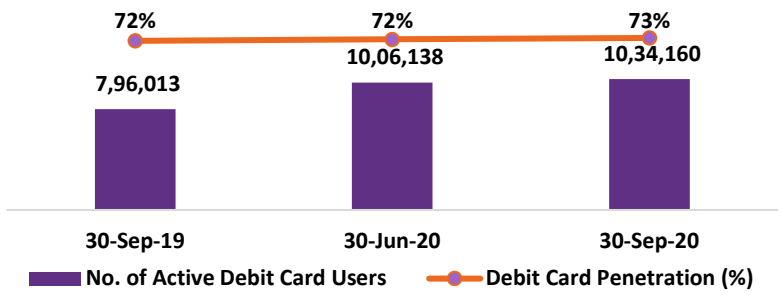
Digital Channel Usage trends

More than 2.6 lakh Internet & Mobile Banking Users

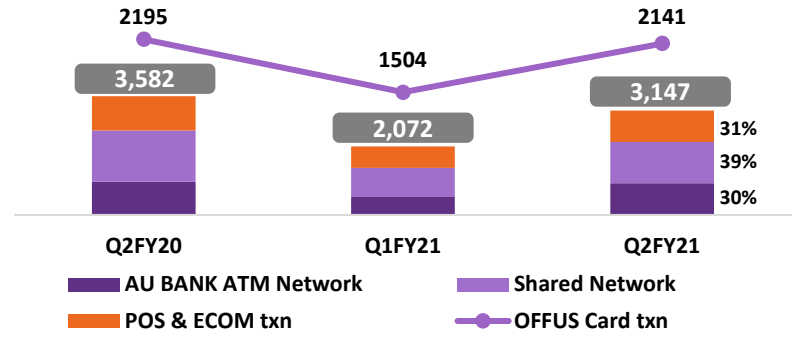


No. of Active Debit Card Users

Increasing Debit Card user base with stable penetration



Debit Card transaction Volume (in '000's)



3. Branch Banking Overview



Key turning points

Key events	Our Performance	
	Deposit as a % of external liabilities	Retail Deposits as a % of total deposit
April'17 (Bank Launch)	N/A	N/A
Sept'18 (NBFC Crisis + Branch vintage >1 yr)	21%	35%
Mar'20 (COVID-19 gave room to execute)	72%	43%
Sep'20	73%	54%

Core Principles of our Deposit Strategy



Key markers being tracked are CD Ratio, CASA ratio and Retail to Total Deposit Ratio

Deposits Journey – Moving to a sustainable granular franchise

Improvement across key Levers

Quality Sourcing

Increased focus on Quality of sourcing – RM and Sr. RM based approach
 Focused verticals (TASC, NR, Enterprise Salary, Current accounts, Panchayat accounts)
 Profile-based approach (UYC) – retired pensioners, Self-employed, Housewives

Customer Activation

Campaigns to activate dormant customers - ~1.2 Lac customers activated in 1HFY21
 ZBA customers reduced by 9% on annualized basis

Core-Urban approach

Differentiated approach for both Urban and Core markets – Basis economy, employment etc.
 Specialized team formed, Employee KRAs re-aligned

Engagement Matrix

41% customers are transacting using various AU channels - up by 8% from its lows
 2 Lac customers are doing >4 transactions / month (15% growth in 1HFY21)
 Avg. txn. per transacting customer - grew by 50% to ~12 transactions / month

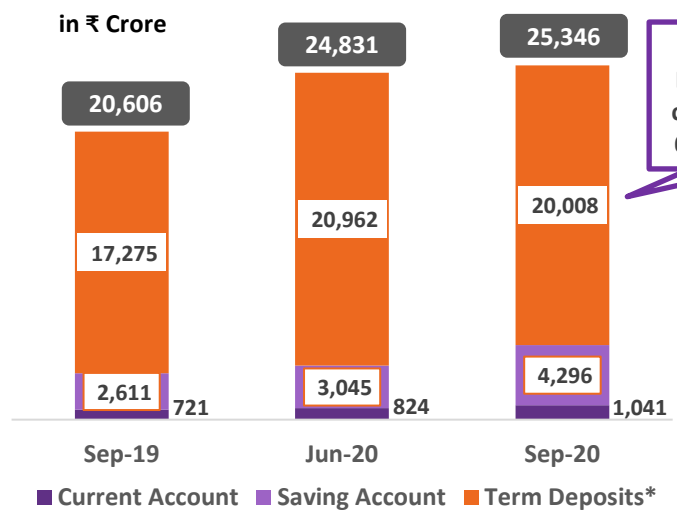
Customer Deepening

New accounts monitored for 3-6 months to deepen engagement and balance accretion

- Savings Account - AMB per non-ZBA Customer went up by ~50% in 1HFY21
- Term Deposits - AMB per non-ZBA Customer went up by ~ 17%

Branch Banking - Snapshot

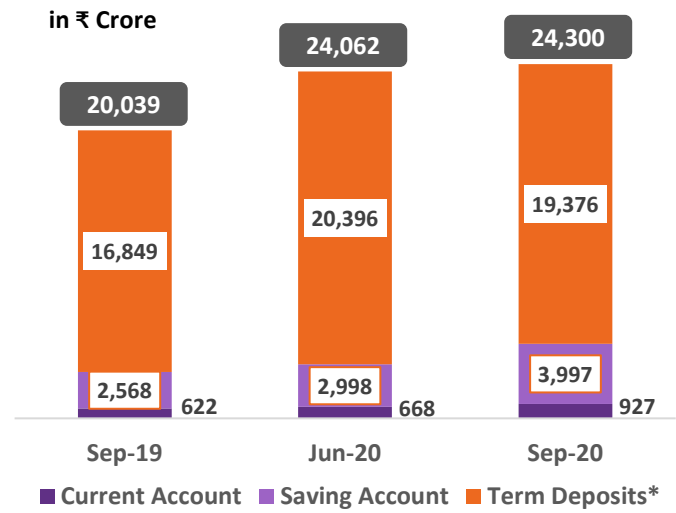
Growing Deposit Franchise



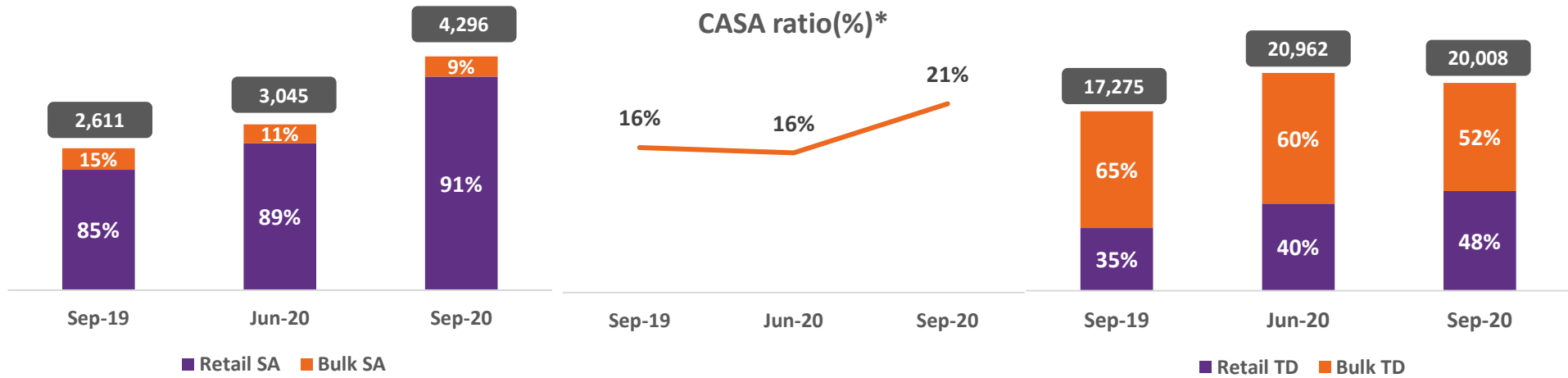
34% of the Term Deposits are non-callable [Bulk TD – 63% non-callable]

	Growth	
	Y-o-Y	Q-o-Q
Total Deposits*	23%	2%
Savings Account	65%	41%

Average Monthly Balance



Retail deposits (CASA + Retail TD) now at 54% of deposits vs 45% in Q1FY21 and 41% in Q2FY20 with improving granularity across CA/SA/TDs



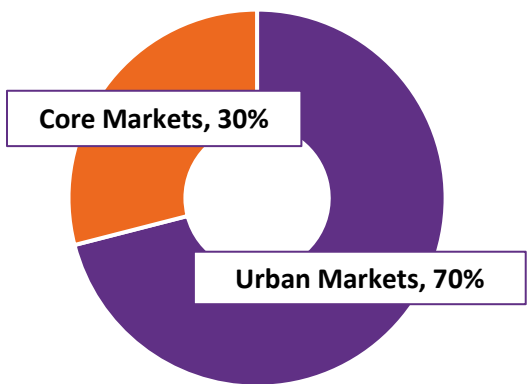
*Note –CASA Ratio calculation and Term Deposits excludes Certificate of Deposits of ₹ 1,543 Cr as on 30th Sep 2019, ₹ 1,903 Cr as on 30th Jun 2020 and ₹ 1,635 Cr as on 30th Sep 2020

Branch Banking – Deposit profile

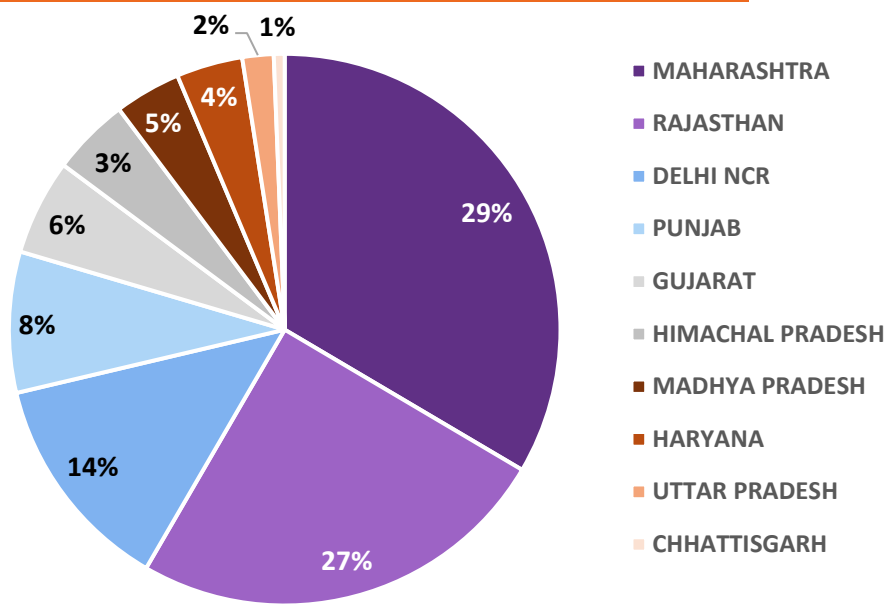
Area-wise Deposit¹ Distribution

	CA	SA	TD
Urban Market Banking	67%	57%	77%
Core Market Banking	33%	43%	23%

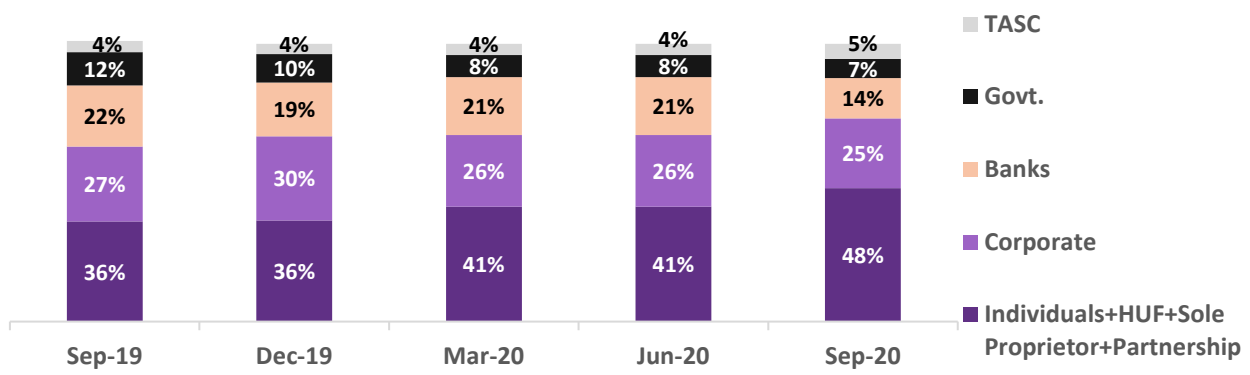
Break-up of total deposits



Diversified Deposit¹ Build-up across States



Profile of Deposits¹ spread across segments – Individual base increased its share from 36% to 48% in the past year



As on 30th Sep 2020

¹ Deposits excludes Certificate of Deposits of ₹ 1,543 Cr as on 30th Sep 2019, ₹ 1,903 Cr as on 30th Jun 2020 and ₹ 1,635 Cr as on 30th Sep 2020

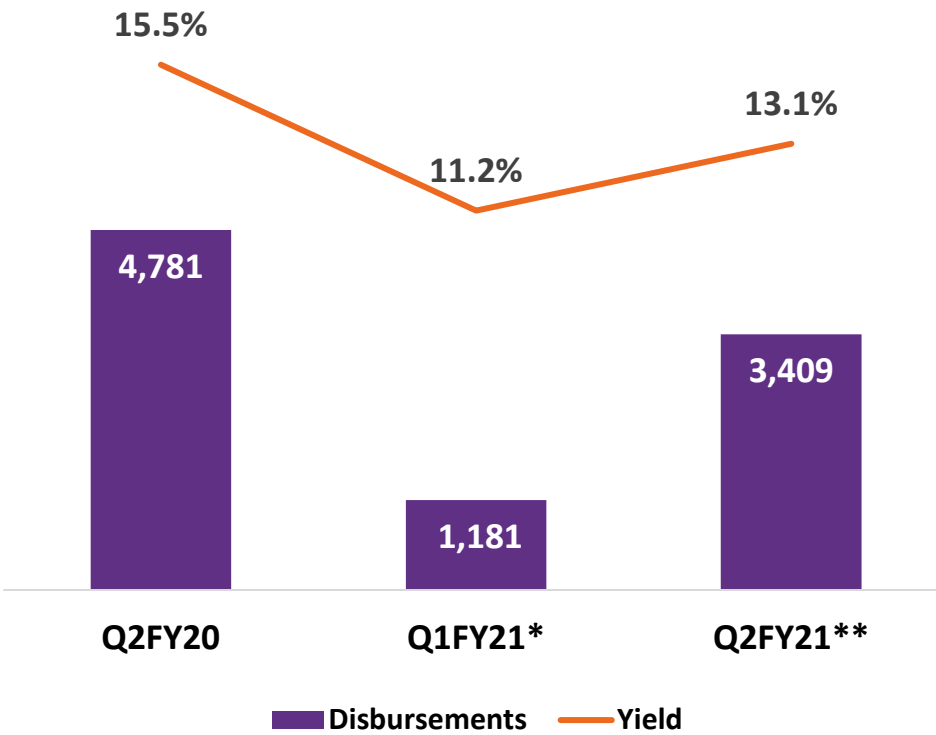
3. Assets Overview



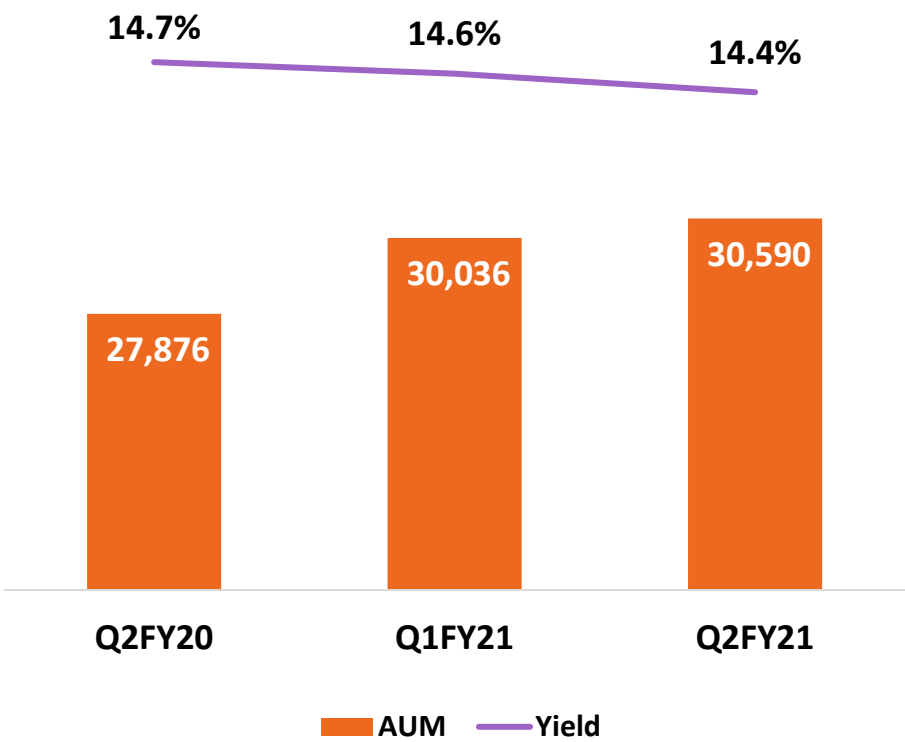
Disbursements and AUM Trends

in ₹ Crore

Disbursements



AUM



*Includes ₹ 246 Cr disbursed under TLTRO and ₹ 23 Cr disbursed under ECLGS Scheme
 **Includes ₹ 53 Cr disbursed under TLTRO and ₹ 354 Cr disbursed under ECLGS Scheme

Disbursements and AUM mix – Retail AUM maintained at 84%



Category (Amount in ₹ Cr)	Q2FY21 Disbursements	% of total	AUM as on 30th Sep 2020	% of total
Wheels	1,025	30%	12,326	40%
<i>New</i>	587		7,835	
<i>Used & CoW</i>	438		4,491	
SBL-MSME	1,043	31%	11,887	39%
Home Loan	163	5%	707	2%
GL+CD+PL	33	1%	230	1%
OD against FD	204	6%	673	2%
Total Retail Assets	2,468	72%	25,800	84%
REG	52	2%	738	2%
Business Banking	364	11%	1,255	4%
Agri SME	116	3%	1,297	4%
NBFC	409*	12%	1,478	5%
Total Small and Mid Corporate Assets	941	28%	4,790	16%
Total	3,409		30,590	

*Includes disbursements under TLTRO 2.0 of ₹ 53 Cr

Note – Total Wheels AUM includes AUM of Two-Wheeler and Vehicle Pool buyout.

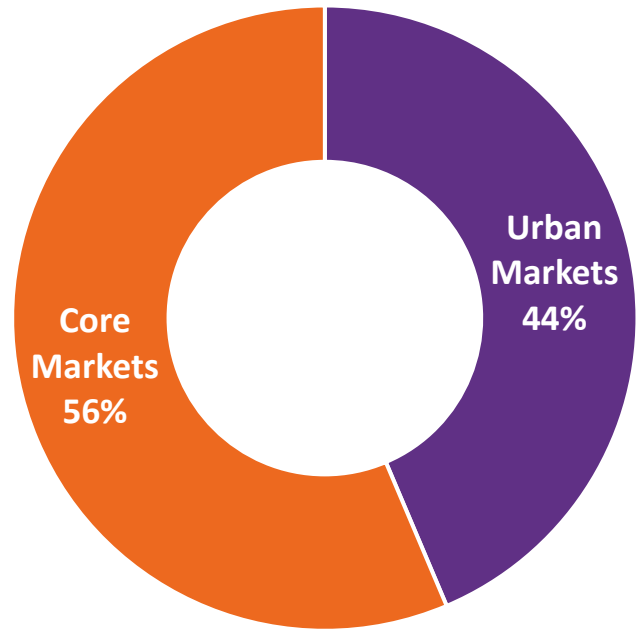
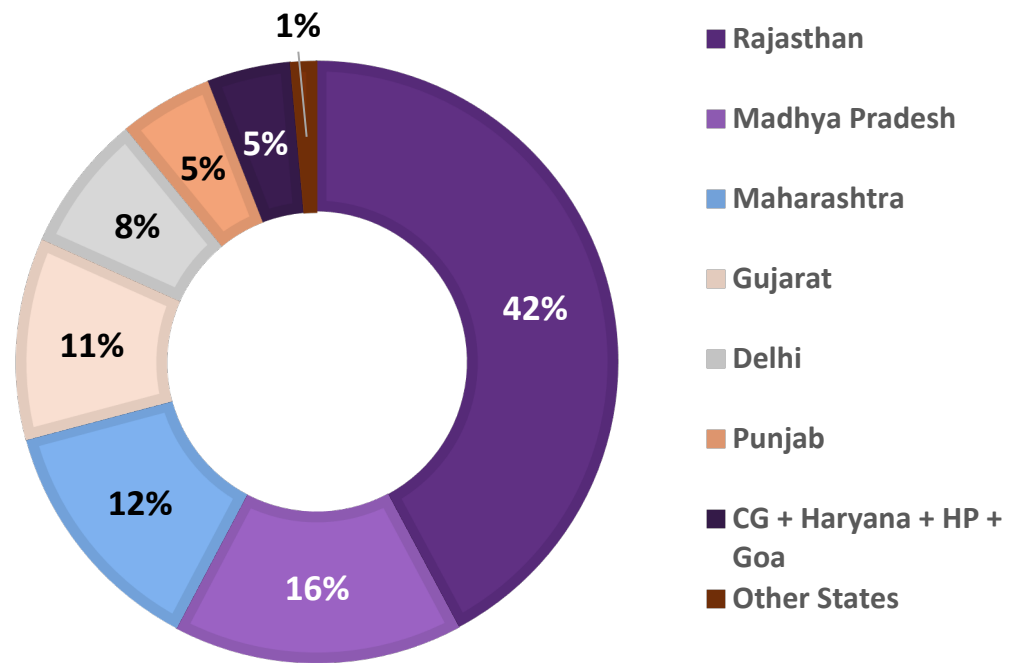
Business banking offering includes Fund Based (Cash Credit, WC) and Non-Fund Based limits including BG,LC limits

Loan Assets Cuts

Overall Loan AUM

Distribution of Retail Assets

As on 30th September 2020



Core Markets are smaller centers in rural/semi-urban which typically have a local economy built around agriculture and small businesses, and where we typically lend in. Larger centers which have more advanced infrastructure such as airports, malls etc. are defined as Urban Markets.

Collection Efficiency - Returning to normalcy



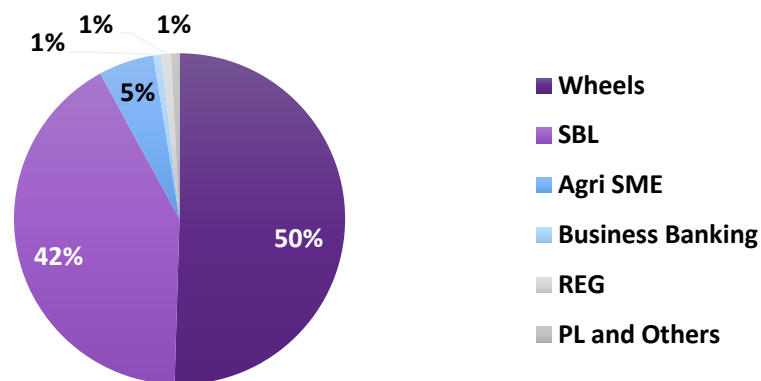
Product	Q2FY21	Q1FY21	Q2FY20
SBL	105%	72%	98%
Wheels	89%	62%	99%
NBFC	105%	86%	100%
Business Banking	105%	82%	84%
REG	109%	49%	87%
Agri	119%	84%	85%
Home Loan	112%	83%	99%
SME	106%	51%	88%
Personal Loans	88%	65%	97%
Gold Loan	114%	84%	96%
Consumer Durable	84%	70%	99%
Others	100%	100%	99%
Grand Total	96%	68%	98%

Collection efficiency is calculated with all money received during the month from borrowers (excluding foreclosure) as % of current demand for the month;
For moratorium months 100% billing was assumed

Product	% of Gross Advances		
	Total Gross Advances (₹ Cr)	September-2020	
		Full	Part
SBL	11,248	82%	5%
Wheels	9,549	72%	5%
NBFC	1,492	100%	0%
Business Banking	1,210	94%	2%
REG	727	86%	9%
Agri	745	94%	2%
Home Loan	707	92%	4%
SME	526	78%	8%
Personal Loans	165	81%	5%
Gold Loan	57	72%	5%
Others	686	100%	0%
Total	27,110	78%	4%

❑ Full and Part EMI clearance from April'19 to Feb'20 has been around 80% and 5% respectively

❑ Excluding NPA Pool of ₹ 423 Cr



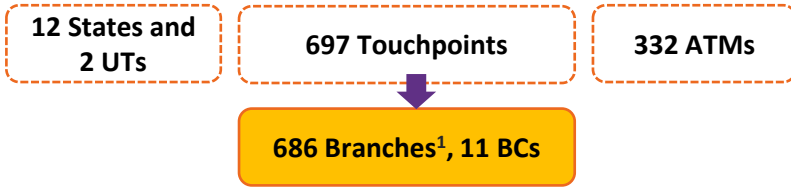
5.5% of Gross Advances

- Bank is tracking this portfolio closely and 2.5% of borrowers (by Gross Adv.) from this portfolio have paid at least 1 EMI in Sep/Oct FY21
- This book is 100% secured with small ticket loans with low EMIs backed primarily by self-owned residential and commercial properties/income generating assets
- 3 main impacted segments are Schools/Academics, Travel and Tourism, and hospitality and associated businesses like catering etc.
- In most of the affected segments, while there is short term demand destruction, we don't envisage permanent damage to the underlying businesses and with each passing quarter we are seeing things improving
- Improving activity levels, supportive measures (deferment, ECLGS, Restructuring, Interest on interest waiver) should also help tackle the pandemic impact on the borrowers
- Because of above factors, we feel that while there will be interim slippages from this book, eventual credit cost is likely to be lower; We currently hold ₹ 278 Cr in COVID related provisions and would continue to monitor the trends for future course of action

5. Other Key Updates

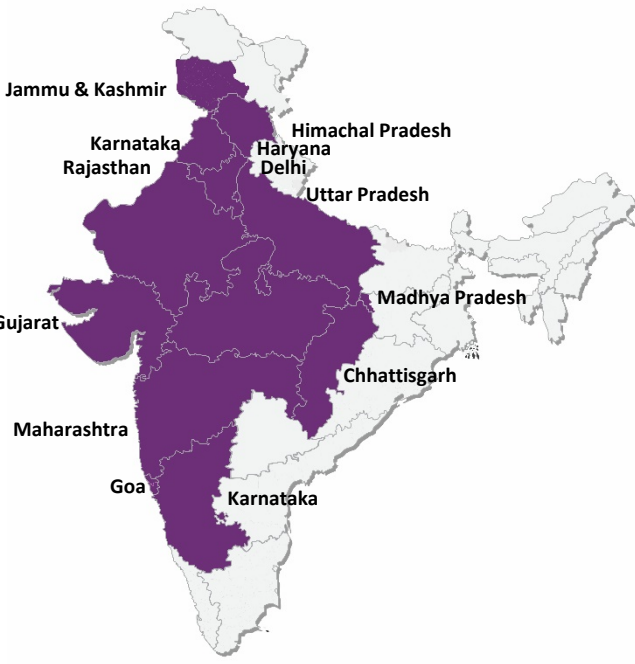


Well entrenched contiguous distribution franchise

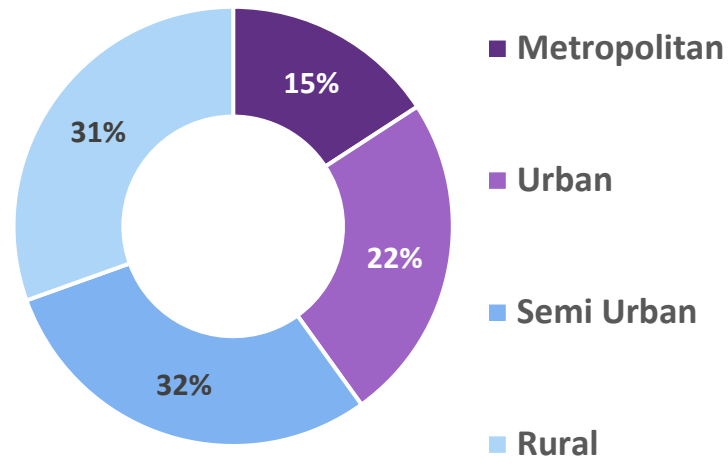


No. of Touch points		
Urban Market Presence [#]	Core Market Presence [#]	Total
156	541	697

Break up of branches



States & UT	Total Branches
Rajasthan	305
Madhya Pradesh	99
Gujarat	95
Maharashtra	66
Punjab	39
Haryana	31
Chhattisgarh	13
Delhi / NCR	18
Himachal Pradesh	10
Uttar Pradesh	4
Karnataka	2
Goa	2
Chandigarh	1
Jammu & Kashmir	1
Total	686



□ Distribution Network spread across 12 states and 2 Union Territories; 63% of our branches are in Rural & Semi Urban Areas (Tier 2 to Tier 6)

¹ 531 Bank Branches and 155 Business Correspondent Banking Outlets.

[#]The definition of Core Market Banking and Urban Market Banking is AU Bank's internal terminology

Other Key Updates

HR Updates

- The bank has been awarded as a **Great Place To Work** (GPTW) in October 2020
- There were no layoffs, no salary cuts and the bank paid the performance bonus for FY20
- Bank took a slew of measures to help the employees during the past six months such as offering exclusive insurance deals, providing medical support to the infected including expense reimbursement, remote working enablement etc.
- Business continuity was impacted due to the several team members being infected and then recovering but all the offices and branches were operational throughout the lockdown barring some places with local challenges



Board and Governance updates

- With Warburg Pincus shareholding falling below 5%, Mr. Narendra Ostawal (DIN: 06530414) has decided to step down from his post as the “Non-executive Director” of the Bank with effect from the close of business hours, 28th Oct’20. We thank him for his constant guidance throughout his term and look forward to his support as a valued shareholder.

Corporate Social Responsibility

- Bank has spent over ₹ 2.4 Cr in 1HFY21 (total ₹ 5.9 Cr till date) through awareness programs, medical equipment donation, masks and sanitizer donations, food assistance and transportation projects
- Started the Mind over Matter series which is a platform for achievers to share their stories and motivate others

Financial Inclusion

- Launched PM SVANidhi Yojana on 1st October (PM Street Vendor’s Atmanirbhar Nidhi)
- 759 Physical Financial Literacy Camps conducted in Q2 FY 2020 (with social distancing measures)

Awards

- The bank was awarded as one of Economic Times’ Best Brands for the year 2020



Experienced Board of Directors



Mr. Raj Vikash Verma
Chairman and Independent Director

37+ years of experience

Masters in Economics, MBA (FMS), CAIIB

Ex-Chairman at NHB
Leadership positions at IMGC, CERSAI, PFRDA, etc.



Mr. V G Kannan
Independent Director

38+ years of experience in Banking Industry

MBA

Ex MD - State Bank of India
Ex Chief Executive – Indian Bank Association
Member of Governing Council - IIBF



Mr. Krishan Kant Rathi
Independent Director

34+ years of experience

FCA, CS

Ex-CEO, Future Consumer Limited
Ex-CFO, Future Group



Ms. Jyoti Narang
Independent Director

40+ years of experience

MBA

Ex-COO, Taj Group of Hotels



Prof. M S Sriram
Independent Director

35+ years of experience (including 22 years as an academic)

MBA, Fellow, IIMB (equivalent to PhD)

Visiting Faculty at IIM - B, Distinguished Fellow-IDRBT, Chairperson-Centre for public policy-IIMB
On Board of IDMC and NDDB dairy Services etc.



Mr. Pushpinder Singh
Independent Director

35+ years of experience in IT and Payment Systems

BSc, CAIIB

Ex-CIO, Bank of India
Ex Advisor, NPCI (FI & new business)



Mr. Narendra Ostawal
Non-executive Director

18+ years of experience

CA, MBA (IIM B)

MD, Warburg Pincus India Private Limited



Mr. Sanjay Agarwal
MD & CEO

25+ years of experience

FCA (All India Rank holder)

EY Entrepreneur of the Year Award 2018; Business Leader of the Year, ICAI Awards, 2017



Mr. Uttam Tibrewal
Whole-Time Director

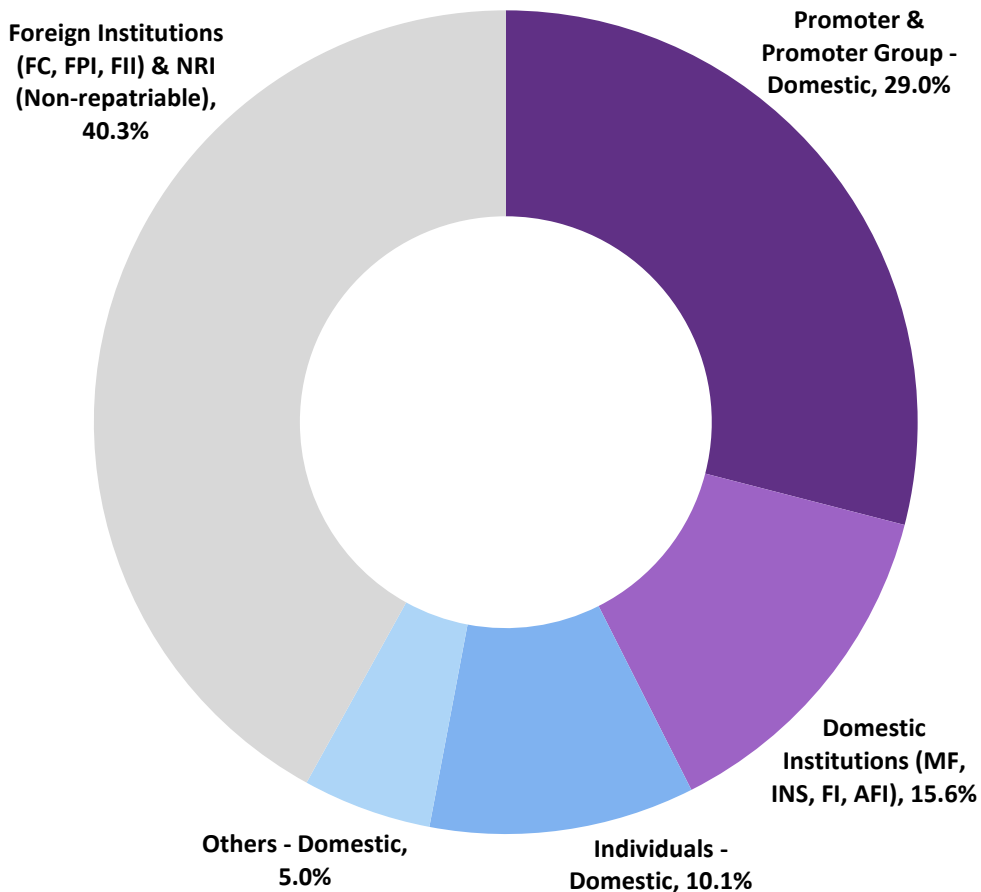
23+ years of experience

B. Com

Associated with the Bank for more than 16 years

Marquee Shareholders Base – As on 30th Sep 2020

Shareholding Break –up



Total no. of shareholders

1,13,693

Domestic : Foreign

60 : 40

Key Shareholders (Holding 1%+)

Holding on 30-Sep-20

Promoter & Promoter Group	29.0%
Wasatch	4.998%
Temasek Holdings	4.7%
Redwood Investment (Warburg Pincus)	4.6%
Kotak Mahindra MF & AIF	3.8%
Capital Group	3.5%
Nomura	3.4%
Motilal Oswal MF	2.4%
Westbridge	1.9%
UTI MF (Various MF & Offshore funds)	1.9%
JP Morgan Funds	1.9%
Uttam Tibrewal	1.8%
HDFC Life Insurance Co. Ltd.	1.7%
Steadview Capital (and all other Inv. Vehicles)	1.7%
VANGUARD (through its various funds)	1.7%
Amansa Holdings	1.7%
Ourea Holdings (incl. Kedaara Capital I)	1.6%
Kotak's Offshore Funds (through its various funds)	1.2%
Nippon MF	1.2%
Motilal Oswal Financial Services Ltd	1.1%
Motilal Oswal Private Equity	1.0%



THANK YOU

For Investor queries contact (details in QR Code):

Prince Tiwari | Aseem Pant | Ayush Rungta



Email: investorrelations@aubank.in

ADC	Alternate Delivery Channels	NPA	Non Performing Assets
AFS	Available for Sale	NSE	National Stock Exchange
ALM	Asset Liability Management	OPEX	Operating Expenses
AUM	Asset Under Management	P/L	Profit & Loss Statement
BSBDA	Basic Savings Bank Deposit A/C	PAT	Profit After Tax
BSE	Bombay Stock Exchange	PPOP	Pre-Provisioning Operating Profit
CASA	Current Account Deposits and Savings Account Deposit	QoQ	Quarter on Quarter
CBS	Core Banking Solution	ROA	Return on Average Assets
CRAR	Capital Adequacy Ratio	ROE	Return on Average Shareholder's Fund
CRR	Cash Reserve Ratio	RTGS	Real Time Gross Settlement
DPD	Days Past Due	SFB	Small Finance Bank
EPS	Earning Price Per Share	SLR	Statutory Liquidity Ratio
HTM	Held Till Maturity	SMC	Small and Mid-Corporate
IPO	Initial Public Offer	STP	Straight Through Processing
LCR	Liquidity Coverage Ratio	TAB	Tablet Mobile Device
NBFC	Non-Banking Finance Company	YoY	Year on Year
NII	Net Interest Income		

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