

SMALL IS THE **NEW BIG**



ENDURANCE LEADS TO ACHIEVEMENT

‘RBI IN-PRINCIPLE APPROVAL FOR SMALL FINANCE BANK’

**The moment was created on September 16, 2015 - 6.00 pm
B-11 E, Behind CEG Apartment, Near Tata Showroom, Industrial
Area, Malviya Nagar-302017**

**WE THANK THE RESERVE BANK OF INDIA, SHAREHOLDERS,
BOARD MEMBERS, OUR BANKERS, FINANCIAL INSTITUTIONS, ALL
OUR EMPLOYEES AND OTHER STAKEHOLDERS.**



Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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₹ 5,619.23 cr

DISBURSEMENT

₹ 8,221.29 cr

ASSETS UNDER MANAGEMENT (AUM)

₹ 1,015.48 cr

REVENUE

As on March 31, 2016

THANK YOU


for your support & enabling us to
get in-principle approval from RBI for

SMALL FINANCE
BANK



AU FINANCIERS (INDIA) LIMITED





AT A TIME WHEN GLOBAL GROWTH IS STILL SLUGGISH AND FRAGILE TO HEADWINDS, INDIA REMAINS ONE OF THE MOST ATTRACTIVE ECONOMIES OF THE WORLD. OUR GOVERNMENT IS FOCUSING ON KEY REFORMS TO DRIVE THE US\$ 2 TRILLION ECONOMY ON A HIGHER GROWTH TRAJECTORY.

There is considerable optimism; but there are roadblocks too. The country's financial architecture is still not robust enough to support its long-term growth agenda. Private investment in India has still not picked up pace; and many companies are grappling with over-leveraged balance sheets.

In such a difficult market scenario, most NBFC players have witnessed de-growth in businesses, higher delinquencies and muted numbers.

At Au FINANCIERS, we have stood our ground against macro challenges and performed encouragingly by implementing small, but critical initiatives that resulted in big outcomes.

We had foreseen industry trends and aligned our strategies accordingly.

During FY 2015-16, we undertook multiple customer-connect and branding initiatives to widen our customer base and visibility.

We enhanced our operational efficiencies by appropriate leverage of technology that brought integration between the field force and the branch network.

We strengthened our governance architecture for round-the-year monitoring of operational and financial performance, better vulnerability mapping and mitigation of potential risks.

We upgraded our HR practices to sharpen people skills and build future leadership.

FOR OVER TWO DECADES, WE HAVE EMPOWERED THE UNBANKED AND UNDER-BANKED SEGMENTS OF THE POPULATION AND CONTRIBUTED TO THE NATIONAL AGENDA FOR FINANCIAL INCLUSION.

AND THIS YEAR, IT IS HEARTENING TO REPORT THAT WE RECEIVED AN 'IN-PRINCIPLE APPROVAL' FROM THE RESERVE BANK OF INDIA FOR CONVERTING INTO SMALL FINANCE BANK.

AS WE PREPARE OURSELVES FOR THE ROLE AND RESPONSIBILITIES OF A SMALL FINANCE BANK, WE ARE TOUCHED BY THE GOOD WISHES OF ALL OUR CUSTOMERS AND STAKEHOLDERS, WHO HAVE SUPPORTED US IN OUR JOURNEY.

OUR SMALL STEPS IN THE RIGHT DIRECTION HAVE INDEED PROVED TO BE A FORCE MULTIPLIER IN EMPOWERING LIVES.

WE WILL CONTINUE TO FOLLOW OUR STRATEGY OF INVESTING IN THE SMALLEST ASPIRATION OF MILLIONS THROUGH OUR BALANCING ACTS.

BECAUSE WE BELIEVE SMALL IS THE NEW BIG.

SMALL STEPS CAN HAVE FAR-REACHING RESULTS

RURAL PENETRATION

85%

LOAN BOOK CLASSIFIED AS
PRIORITY SECTOR LENDING (PSL)

49%

BRANCHES LOCATED IN RURAL
AND SEMI-URBAN AREAS

75%

CUSTOMER ARE FUNDED
FOR LOAN TICKET SIZE OF
BELOW ₹ 25 LACS

BUILDING RELATIONSHIPS

5,072

HUMAN RESOURCE

4.35 + Lacs

CUSTOMER BASE

60 +

BANKS AND FINANCIAL
INSTITUTE PARTNERS

291

BRANCHES
ACROSS 10 STATES

17.10%

CAPITAL ADEQUACY RATIO

Data as on March 31, 2016

BIG IMPACT AT THE BOTTOM OF THE PYRAMID

Yes, that has been our overriding objective, ever since we instigated our journey two decades ago. And we have been consistently engaging with India's under served and unbanked population to offer them diverse financial solutions; and drive the national mandate of inclusive growth.

Our achievements are the outcome of the entrepreneurship of Mr. Sanjay Agarwal; and a highly experienced and competent management team. Au FINANCIERS, incorporated in 1996 is a non-deposit taking Systematically Important NBFC and categorised as an asset finance company under the aegis of Reserve Bank of India.

OUR VISION

To be the most preferred financial institution with a nationwide presence and provide customised and speedy financial solutions to rural and emerging India, thereby guaranteeing trust, confidence, and customer delight.

OUR MISSION

At Au FINANCIERS, we strive to lead in providing the best and most trustworthy financial solutions to cater to the entrepreneurial aspirations of the unreached and unbanked masses of India and be empathetic to their needs. We endeavour to create strong, consistent value for stakeholders; and live up to the trust and confidence reposed in us.

FOUR PRINCIPLE DRIVERS

Au FINANCIERS follows four principles, which reflect the way it functions and realises objectives.



Fair

We are fair and transparent in our dealings, thoughts and policies. We understand the requirement of our customers; and offer only those products that suffice their needs, making it a win-win situation for everyone.



Flexible

We are flexible in our approach and try sincerely to live up to the expectations of our clients. We are open and transparent regarding our products and schemes. We understand our clients and their concerns and offer the highest levels of flexibility possible.



Fast

We are fast; the client's priorities are our priorities. We are quick in our decision-making. Our robust operations and disbursement processes ensure a best-in-class turnaround time.



Friends

In Au FINANCIERS, you have a friend for life. We have nurtured friendly and congenial relationships with our Business Associates and customers. This unique aspect helps us make new friends and create lasting relationships across generations.

AU DHARMA - OUR VALUE ENABLERS



1

CUSTOMER FOCUS

If our customers need it we
will make it happen



2

WORK HARD & LOOK FOR DETAILS

Willing to go the extra mile
in everything we do and
thoroughly understand
customer needs, issues and
organizational delivery model



3

RESPONSIBLY ENTREPRENEURIAL

100% ownership &
accountability and 0%
excuses



4

BIAS FOR ACTION

Urgency in everything
we do



5

INTEGRITY

We are fair and consistent
in all our dealings-
employees, customers,
partners or shareholders



6

NURTURE TALENT & SUCCEED TOGETHER

We nurture talent
and together we are a
great team working for
common goals

OFFERINGS



Vehicle Loans

Clientele

- First time users/ buyers
- Small road transport operators
- Self-employed individuals

Loan Amount

Ticket size

Up to ₹ 25 Lacs (average Ticket Size ₹ 3.5 Lacs)

Purpose

Income / Revenue generation



Micro, Small & Medium Enterprises Loans (MSMEs)

Clientele

- Micro and small manufacturer
- Micro and small service enterprise
- Retail trade
- Agriculture-based SME activities

Loan Amount

Ticket size

Up to ₹ 25 Lacs (average Ticket Size ₹ 10 Lacs)

Purpose

Income / Revenue generation



SME and Structured Finance

Clientele

- Manufacturing, trading and service units
- Small/Medium-sized NBFCs
- Small builders for the development of affordable units

Loan Amount

Ticket size

₹ 25 Lacs - ₹ 20 Cr (average Ticket Size ₹ 2.5 Cr)

Purpose

- Business expansion
- Working capital



Insurance

In addition to a comprehensive portfolio of loan products, we also offer a wide variety of general insurance products through our associate company. We are transparent in our approach and provide precise and research-backed information to customers.

We aim to reach out to the country's large uninsured and underinsured masses through our insurance services. Besides, we work on gaps in the present insurance services verticals including risk management, claims assistance and claims consultancy.

Product-wise AUM as on March 31, 2016

₹ **4,174.48** cr

VEHICLE LOANS

₹ **2,217.60** cr

MSME LOANS

₹ **1,829.20** cr

SME AND STRUCTURED FINANCE