

विभाग DEPT: Board Secretariat
Merchant Banking Division
Telefax 040-23230883; Tel.No.040-23252371
E-mail: mbd@andhrabank.co.in

Lr. No. 666/25/P.176/119

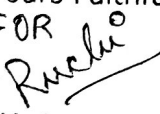
Dt: 17.05.2017

Bombay Stock Exchange Limited
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400001
Fax No. 022-22723121

Dear Sirs,

Sub: Presentation on Performance/ Financial Highlights of the Bank for the quarter /
financial year ended March 31, 2017 provided to the Analysts /Institutional
Investors at their meeting held on May 17, 2017
Ref: Our letter no. 666/25/P.176/109 dated May 16, 2017

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Presentation on Performance/ Financial Highlights of the Bank for the quarter/ financial year ended March 31, 2017 provided to the Analysts/ Institutional Investors at their meeting held on May 17, 2017, for your information. The said presentation is hosted on the website of the Bank www.andhrabank.in.

Yours Faithfully,
FOR

(Y. Amarnath)
Company Secretary

Encl: as above





Andhra Bank

**Performance /
Financial
Highlights**
March 2017



HIGHLIGHTS

Growth in Key Parameters(Y-o-Y)- Mar'16- Mar'17

- Business grew by 9.3% - from Rs. 310673 Cr to Rs.339673 Cr.
- Total Deposits grew by 12.1% - from Rs. 174302 Cr to Rs.195441 Cr.
- CASA Deposits grew by 26.1% - from Rs.45405 Cr to Rs. 57257 Cr.
- Advances grew by 5.8% - from Rs. 136371 Cr. to Rs.144232 Cr.
- MSME Advances grew by 17% - from Rs. 23302 Cr. to Rs.27260 Cr.



Andhra Bank

BRANCH NETWORK AND BUSINESS DELIVERY CHANNELS

Business Delivery Channels	31.03.15	31.03.16	31.03.17
Branches	2507	2803	2908
Extension Counters	8	4	4
ATMs/BNA/CR	2232	3636	3929
Satellite Offices	35	34	34
TOTAL	4782	6477	6875
Branch Mix	31.03.15	31.03.16	31.03.17
1.Rural	722	827	745
2.Semi-Urban	690	757	770
3.Urban	691	756	664
4.Metro	404	463	729
TOTAL	2507	2803	2908

Bank has Representative Offices in Dubai & New Jersey

** As per census of 2011



Andhra Bank

SHARE HOLDING PATTERN – MAR 2017

31.03.2017
Share Capital Rs 681.16 Crs
No. of Shares 68.11 Crs

	31.03.2016 (%)	31.03.2017 (%)
Government of India	61.26	*61.26
General Public	13.33	14.44
Private Corporate Bodies	2.15	2.96
Mutual Funds & UTI	1.80	0.38
Banks/FIs/Insurance Cos	12.18	14.92
Foreign Institutional Investors	8.87	5.51
Others	0.41	0.53
Total	100.00	100.00

***Excluding Rs 1100 Crores received from GOI on 31.03.2017 which is kept as share application money**



Andhra Bank

BUSINESS PERFORMANCE HIGHLIGHTS

(Amount in Rs crores)

Details	YEAR ENDED			
	31.03.15	31.03.16	31.03.17	Variance (Y-o-Y) %
Total Deposits	155012	174302	195441	12.12%
Total Advances	129576	136371	144232	5.76%
Total Business	284588	310673	339673	9.33%
Investments (Net)	46499	53864	59697	10.82%
Net Profit	638	540	174	-67.7%
CD Ratio	83.61%	78.24%	73.80%	



Andhra Bank

DEPOSITS - COMPOSITION

(Amount in Rs crores)

Type of Deposit	YEAR ENDED			
	31.03.15	31.03.16	31.03.17	Variance (Y-o-Y) %
Current Deposits	9706	7541	8660	14.84
% Share	6.26	4.32	4.43	
Savings Deposits	32696	37924	48655	28.30
% Share	21.09	21.76	24.89	
CASA (Incl. bank deposits)	42402	45465	57257	25.93
% Share	27.35	26.08	29.32	
Term Deposits (Incl. Inter Bank)	112610	128837	138126	7.21
% Share	72.65	73.92	70.67	
TOTAL	155012	174302	195441	12.12



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ADVANCES

(Amount in Rs crores)

SECTOR	31.03.15	31.03.16	31.03.17	Variance (Y-o-Y) %
Corporate & Mid Corporate Advances	69039	63962	61858	-3.29%
MSME	20258	23302	27260	16.99%
Retail Credit	19846	24428	27541	12.74%
Agriculture	20433	24679	27573	11.73%
Gross Bank Credit	129576	136371	144232	5.76%



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NET PROFIT

(Amount in Rs crores)

Sl. No .	Particulars	Quarter ended			Year ended		
		Mar 16	Mar 17	Variance (Y-o-Y)%	Mar 16	Mar 17	Variance (Y-o-Y)
1	Interest Income	4652	4774	2.62%	17635	18027	2.22%
2	Interest Expenses	3151	3089	1.99%	12314	12496	1.47%
3	NII (Spread) (1-2)	1500	1685	12.33%	5321	5531	3.94%
4	Other Income	473	651	37.63%	1564	2308	47.57%
5	Operating Expenses	800	901	12.62%	2925	3452	18.01%
6	Operating Profit	1173	1434	22.25%	3960	4388	10.80%
7	Provisions	1023	1300	27.07%	2956	4029	36.29%
8	Taxes	99	99		464	185	-60.12%
9	Net Profit (6-7-8)	52	35	-32.69%	540	174	-67.77%



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INTEREST INCOME

(Amount in Rs crores)

Interest on	Quarter ended			Year ended		
	Mar 2016	Mar 2017	Variance (Y-o-Y)	Mar 2016	Mar 2017	Variance (Y-o-Y)
Advances	3393	3531	4.06%	13468	13597	0.95%
Investment	1050	1159	10.38%	3876	4230	9.13%
Others	209	84	-59.80%	291	200	-31.27%
TOTAL INTEREST INCOME	4652	4774	2.62%	17635	18027	2.22%



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INTEREST EXPENSES

(Amount in Rs crores)

Interest on	Quarter ended			Year ended		
	Mar 16	Mar 17	Variance (Y-o-Y)%	Mar 16	Mar 17	Variance (Y-o-Y)%
Deposits	2954	2871	2.80%	11405	11692	2.51%
Sub-ordinate Debt/Other Innovative capital instruments	122	184	50.81%	409	688	68.21%
Borrowings	75	34	-54.60%	500	116	-76.80%
TOTAL INTEREST EXPENSE	3151	3089	-1.96%	12314	12496	1.47%



PROFIT & LOSS ACCOUNT – SPREAD MANAGEMENT

(Amount in Rs crore)

Particulars	Quarter Ended			Year ended		
	Mar 2016	Mar 2017	Variance (Y-o-Y)%	Mar 2016	Mar 2017	Variance (Y-o-Y)%
Interest Income	4652	4774	2.62	17635	18027	2.22
Interest Expenses	3151	3089	-1.96	12314	12496	1.48
Interest Spread (NII)	1501	1685	12.26	5321	5531	3.95
NIM(On Earning Assets)	3.41	3.59		3.18	3.07	



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PROFIT & LOSS ACCOUNT – NON-INTEREST INCOME

(Amount in Rs crore)

Particulars	Quarter ended		Year ended	
	Mar 2016	Mar 2017	Mar 2016	Mar 2017
A) Non-interest Income from Core Operations				
1) Processing Fee	94.05	91.55	289.03	307.65
2) Other Income	56.47	154.69	305.51	450.11
3) Rent on Lockers	4.97	3.99	59.85	61.65
4) Recovery in Written off Accounts	25.44	24.46	116.51	84.40
5) Commission & Exchange	125.61	149.94	429.29	521.54
Sub Total – (A)	367.48	424.63	1200.19	1425.35
B) Non Interest Income from Treasury				
1) Profit on Sale of Investments	73.13	207.95	230.55	764.65
2) Dividend Income	0.67	1.96	6.39	3.39
3) Forex Profit	31.56	16.07	127.34	114.92
Sub Total – (B)	105.36	225.98	364.28	882.96
C) Total Non Interest Income (A+B)	472.84	650.61	1564.47	2308.31 ¹²



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PROFIT & LOSS ACCOUNT - NON-INTEREST EXPENDITURE

(Amount in Rs crore)

Particulars	Quarter ended			Year ended		
	Mar 2016	Mar 2017	Variance (Y-o-Y)%	Mar 2016	Mar 2017	Variance (Y-o-Y)%
Establishment Expenses	455	530	16.48	1735	2097	20.86
Other Operating Expenses	345	371	7.53	1190	1355	13.86
TOTAL:	800	901	12.76%	2925	3452	17.98



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PROVISIONS & CONTINGENCIES

(Amount in Rs crore)

Particulars	Quarter ended		Year Ended	
	Mar 2016	Mar 2017	Mar 2016	Mar 2017
Income Tax	99	100	464	185
Dep./Loss on revaluation of Investments	-35	126	68	172
Depreciation on Transfer to/from HTM	-	-	4	18
Provision for NPAs	1143	1172	3100	3834
Provision against Standard Assets including restructured standard assets	-88	-	-252	-
Others	3	1	36	5
Total	1122	1399	3420	4214



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KEY RATIOS – COST & YIELD

Ratios	Quarter ended		Year Ended	
	Mar 2016	Mar 2017	Mar 2016	Mar 2017
Cost of Deposits %	6.97	6.12	7.18	6.43
Cost of Funds %	6.25	5.51	6.46	5.81
Yield on Advances %	10.37	9.84	10.71	9.77
Yield on Investments %	8.00	7.62	8.05	7.77
Yield on Funds %	9.22	8.52	9.25	8.38



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PROFITABILITY RATIOS

Ratios	Quarter ended		Year Ended	
	Mar 2016	Mar 2017	Mar 2016	Mar 2017
Return on Assets(ROA)%	0.10	0.06	0.28	0.08
Return on Avg. Net worth % (Annualised)	2.06	1.34	5.40	1.68
Earning per Share (Amt in Rs) Annualized	3.16	2.06	8.60	2.56
Book value per share (Amt in Rs)	150.68	153.84	150.68	153.84



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OPERATING RATIOS

Ratios	Quarter ended		Year Ended	
	Mar 2016	Mar 2017	Mar 2016	Mar 2017
Cost to Income Ratio (%)	40.53	38.58	42.49	44.03
Staff Cost as % of Average Working Funds	0.90	0.97	0.91	0.97
Other Operating Expenses as % of Average Working Funds	0.68	0.66	0.62	0.63
Operating Profit to AWF (%)	2.33	2.56	2.08	2.04
Staff Cost to Total Expenditure (%)	11.53	13.28	11.38	13.05



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PRODUCTIVITY RATIOS

(Amount in Rs crore)

Ratios	Mar 2015	Mar 2016	Mar 2017
Business Per Employee	15.44	15.52	17.52
Net Profit Per Employee	0.03	0.03	0.01
Business Per Branch	113.52	110.84	116.78
Gross Profit Per Branch	1.32	1.41	1.51



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CAPITAL ADEQUACY RATIOS (Basel III)

(Amount in Rs crore)

Ratio	31.03.2015		31.03.2016		31.03.2017	
Total Risk Weighted Assets	124316.91		135884		155058	
Common Equity Tier I Ratio	9309.18	7.49%	10553	7.77%	*11920	7.69%
Additional Tier I Ratio	625.62	0.50%	1412	1.04%	2300	1.48%
Tier II Ratio	3283.20	2.64%	3768	2.77%	4975	3.21%
Total Capital Ratio (CRAR)	13218.00	10.63%	15733	11.58%	19195	12.38%

* Treating Rs 1100 Crores received from GOI as CET-1



INVESTMENTS (NET)

(Amount in Rs crore)

Particulars	31.03.2015	31.03.2016	31.03.2017
Net Investments	46499	53864	59697
HTM	34855	39127	38959
AFS	10907	14737	20737
HFT	736	0	1
Duration (AFS)	4.82	3.77	5.10
Modified Duration (AFS)	4.63	3.61	4.91
Duration Total Portfolio	5.07	4.91	5.88
Modified Duration Total Portfolio	4.88	4.72	5.68
Yield on Investments	8.19	8.05	7.77



INVESTMENTS - CLASSIFICATION

(Amount in Rs crore)

Types of Net Investments	Mar 2015	% of Total	Mar 2016	% of Total	Mar 2017	% of Total
SLR	41422	89.08%	48090	89.28%	54628	91.51%
Non SLR	5077	10.92%	5774	10.72%	5069	8.49%
Total	46499	100.00%	53864	100.00%	59697	100.00%



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AGRICULTURE CREDIT- BREAK UP

(Amount in Rs crore)

Category	Mar 2015	Mar 2016	Mar 2017	Variance (Y-o-Y) %
AGRI GOLD LOANS	4044	4769	5669	18.87
AGRI TERM LOANS	3204	2827	2487	-12.03
PATTABHI AGRI CASH CREDITS (KCC)	6453	7286	8169	12.12
SHG FARM SECTOR	4260	4862	5057	4.01
OTHERS *	2472	4935	6191	25.45
TOTAL	20433	24679	27573	11.73

* Including RIDF and Agri Non priority



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RETAIL CREDIT- BREAK UP AS ON

(Amount in Rs crore)

Category	31.03.15	31.03.16	31.03.17	Variance (Y-o-Y) %
Housing Loans	9688	11811	13870	17.43%
Non Agriculture Gold Loans	3130	2282	2605	14.15%
Other Retail Credit (Educational Loans, Consumer/clean loans, deposit loans)	7028	10335	11066	7.07%
Total	19846	24428	27541	12.74%



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MSME CREDIT- BREAK UP

(Amount in Rs crore)

Category	Mar 2015	Mar 2016	Mar 2017	Variance (Y-o-Y)
MICRO	5461	6273	9701	54.64%
SMALL	10475	11474	11016	-3.99%
MEDIUM	4322	5531	6543	18.29%
TOTAL	20258	23278	27260	17.10%



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INDUSTRY WISE EXPOSURE AS ON 31.03.2017

(Amount in Rs crores)

Sl. No	Industry	Actual Fund Based Exposure	Exposure as % of Total Advances of Previous Quarter	Actual Fund Based Outstanding	Outstanding as % of Total Advances of Previous Quarter
1	Power	14335.77	10.09%	13047.35	9.18%
2	Housing Loans	15990.10	11.25%	14866.11	10.46%
3	NBFC	9534.18	6.71%	8067.10	5.68%
4	Iron & Steel	7618.65	5.36%	7416.69	5.22%
5	Textiles	6555.10	4.61%	5484.90	3.86%
6	Construction & Contractors	5131.08	3.61%	4705.32	3.31%
7	Commercial Real Estate	3527.34	2.48%	3088.97	2.17%
8	Rice Mills	3650.18	2.57%	2804.82	1.97%
9	Engineering (Heavy & Light)	2287.25	1.61%	2076.82	1.46%
10	Diamonds, Gems & Jewelers	1741.10	1.23%	1682.91	1.18%



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INDUSTRY WISE EXPOSURE AS ON 31.03.2017 (Contd.)

(Amount in Rs crores)

Sl. No	Industry	Actual Fund Based Exposure	Exposure as % of Total Advances of Previous Quarter	Actual Fund Based Outstanding	Outstanding as % of Total Advances of Previous Quarter
11	Petroleum Products	2059.69	1.45%	1674.43	1.18%
12	Drugs & Pharmaceuticals	2311.07	1.63%	2120.89	1.49%
13	Sugar	1210.38	0.85%	1082.93	0.76%
14	Hotels	831.90	0.59%	810.94	0.57%
15	Cement & Cement Products	1077.29	0.76%	903.82	0.64%
16	Tobacco	889.89	0.63%	722.06	0.51%
17	Hospitals	779.27	0.55%	676.38	0.48%
18	Educational Institutions	687.82	0.48%	652.46	0.46%
19	Distilleries	198.82	0.14%	186.17	0.13%
20	Software	123.88	0.09%	113.73	0.08%



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EXPOSURE TO INFRASTRUCTURE AS ON 31.03.2017 (Amount in Rs crores)

Sl. No	Industry	Actual Fund Based Exposure	Exposure as % of Total Advances of Previous Quarter	Actual Fund Based Outstanding	Outstanding as % of Total Advances of Previous Quarter
1	Energy	14335.77	10.09%	13047.35	9.18%
	a) Power	14335.77	10.09%	13047.35	9.18%
	b) Gas Transportation	0.00	0.00%	0.00	0.00%
2	Transportation	5261.62	3.70%	4897.15	3.45%
	a) Roads, Bridges & Rail	4848.08	3.41%	4503.61	3.17%
	b) Ports & Airports	375.33	0.26%	355.33	0.25%
	c) Public Transport	38.22	0.03%	38.22	0.03%
3	Water & Sanitation	3275.50	2.30%	1050.30	0.74%
4	Communications	1929.88	1.36%	1703.32	1.20%
5	Social & Commercial (of which)	1610.38	1.13%	1490.20	1.05%
	a) Hospitals	338.91	0.24%	284.77	0.20%
	b) Educational Institutes	288.23	0.20%	256.01	0.18%
	c) SEZ	165.93	0.12%	165.93	0.12%
	d) Cold Storage/Rural Godowns	445.94	0.31%	415.02	0.29%
	e) Fertilizers	371.37	0.26%	368.47	0.26%
	TOTAL	26413.14	18.58%	22188.31	15.61%



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ASSET QUALITY

Asset Quality	31.03.15	31.03.16	31.03.17
Standard Assets	122699.60 (94.69%)	124926.99 (91.61%)	126561.99 (87.75%)
Total NPAs (of which)	6876.54 (5.31%)	11443.63 (8.39%)	17669.98 (12.25%)
Sub-Standard Assets	2004.34 (1.55%)	3337.15 (2.45%)	6611.17 (4.58%)
Doubtful Assets	4829.16 (3.73%)	8063.97 (5.91%)	10999.78 (7.63%)
Loss Assets	43.04 (0.03%)	42.51 (0.03%)	59.03 (0.04%)
TOTAL	100%	100.00%	100.00%



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SECTOR WISE NPA%

(Amount in Rs crore)

SECTORS	As on 31.03.2016			As on 31.03.2017		
	Advances	NPA	NPA % to Total Advances (Sector wise)	Advances	NPA	NPA % to Total Advances (Sector wise)
AGRICULTURE	24080	1095	4.55%	27573	1157	4.20%
MSME	23278	1823	7.83%	27260	2703	9.92%
RETAIL CREDIT	24428	365	1.49%	27541	458	1.66%
LARGE & MID CORPORATE	64585	8161	12.64%	61858	13352	21.58%
TOTAL	136371	11444	8.39%	144232	17670	12.25%



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NPA MOVEMENT

(Amount in Rs crore)

PARAMETER	Quarter ended		Year Ended	
	Mar 2016	Mar 2017	Mar 2016	Mar 2017
NPAs at the beginning of the period	9520.92	16888.24	6876	11443.63
Add: Additions during the period	2325.33	3066.54	6332	9410.34
NPAs after addition	11846.25	4754.78	13208	20853.97
Less: Reduction during the period	402.62	2317.90	1765	3183.99
of which -Up gradation/Recovery	282.72	1187.21	950	1560.88
- Technical Write off/ Write off in compromise accounts	119.90	*1130.69	815	@1623.11
NPAs at the end of the period	11443.63	17669.98	11443	17669.98
Gross NPA %	8.39	12.25	8.39	12.25
Net NPAs at the end of the period	6035.65	10354.81	6036	10354.81
Net NPA %	4.61	7.57	4.61	7.57
Provision Coverage Ratio	56.89	51.03	56.89	51.03



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RESTRUCTURED ACCOUNTS AS ON 31.03.2017

(Amount in Rs crore)

Sl.No.	Particulars	No. of Accounts	Amount
1	Below Rs 1 Crore	26	10.49
2	Rs 1 Crore to less than Rs 25 Crores	19	191.39
3	Rs 25 Crores and above	51	7489.87
4	Total	96	7691.75



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CONSOLIDATED POSITION OF RESTRUCTURED ACCOUNTS AS ON 31.03.17

(Amount in Rs crore)	
Particulars	
Restructured up to 31.03.2016	11393.09
Fresh Restructured during the year	1283.22
Disbursements in Restructured Accounts	609.31
Sub Total	13285.62
Less- Accounts Upgraded by special provision/ accounts closed & recoveries	2185.02
-Accounts slipped to NPAs during the Period	3408.85
Restructured Closing Balance	7691.75



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TOTAL RESTRUCTURED ACCOUNTS – SECTORWISE – 31.03.2017

(Amount in Rs crore)

Sl. No	Sector	As on 31.03.2016		As on 31.03.2017	
		No. of Accts	Amount in Crs	No. of Accts	Amount in Crs
1	Total Restructured Accounts and Amount	167	11393.09	96	7691.75
2	Out of which				
	i) Micro, Small and Medium Enterprises	54	429.45	28	221.95
	ii) Housing Loans Restructured	8	1.37	4	0.47
	iii) Agricultural Loans	18	64.51	10	37.85
	iv) Other Retail Credit(Educational Loans, Mortgage Loans etc)	4	0.25	0	0.00
	v) Major Industries Restructured	83	10897.51	54	7431.48



BREAK UP OF MAJOR INDUSTRIES RESTRUCTURED – As on

(Amount in Rs crore)

Sector	31.03.2015	31.03.2016	31.03.2017
MSME & Major Industries (Of which)	14290.48	11326.96	7653.43
a. Textiles	552.62	519.96	135.48
b. Engineering	249.57	114.41	47.94
c. Sugar	252.89	250.12	161.62
d. Iron & Steel	1553.00	2442.67	465.56
e. Contractors	1471.77	1396.75	583.81
Sub Total	4079.85	4723.91	1394.41
h. Infrastructure	8030.58	5774.64	5455.13
Of which			
i) Power	6366.72	4568.85	4133.87
ii) Educational Institutions	74.97	78.01	69.99
iii) Roadways	803.66	976.95	1106.12
iv) Telecom	737.54	124.13	65.60
v) others infra	47.69	26.70	79.55
i. Others	2180.05	828.41	803.89
TOTAL	14290.48	11326.96	7653.43



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Thank you

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