

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

Lr. No. 666/25/P.29/206

Dt:14.08.2018

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

Dear Sirs,

Sub: Submission of Presentation to Analysts/ Institutional Investors on the Unaudited
Financial Results of the Bank for the Quarter ended June 30, 2018

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Presentation to Analysts/ Institutional Investors on the Unaudited Financial Results of the Bank for the Quarter ended June 30, 2018. The said presentation is hosted on the website of the Bank www.andhrabank.in

Yours Faithfully,


(Raghuram Mallela)
Company Secretary

Encl: as above





Andhra Bank

**Performance / Financial
Highlights
June 2018**



Andhra Bank

KEY HIGHLIGHTS

Growth in Key Parameters- Quarter ended 30.06.2018

- Total Business increased by 8.8%(Y-o-Y)
- Non-Interest Income (Excl. Treasury) increased by 20.2%(Y-o-Y)
- Retail Credit increased by 29.42%(Y-o-Y)
- Agricultural Credit increased by 16.13%(Y-o-Y)
- MSME Credit increased by 7.71%(Y-o-Y)
- PCR improved from 51.73%(Jun-17), 60.90% (Mar-18) to 64.27%(Jun-18)
- CASA Ratio (Incl.Bank deposits) stood at 31.79% (June'18) as compared to 31.17% (June'17)



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BUSINESS PERFORMANCE

Growth in Key Parameters(Y-o-Y)- Jun'17- Jun'18

- Total Deposits grew by 7.81% - from Rs. 188272 Cr. to Rs.202968 Cr.
- CASA Deposits(Excl. Bank Deposits) grew by 10.00% - from Rs. 58614 Cr. to Rs.64465 Cr.
- Advances grew by 10.09%-from Rs. 145801 Cr. to Rs.160506 Cr.
- Priority Sector Advances grew by 15.45% - from Rs. 63065 Cr. to Rs.72809 Cr.



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BRANCH NETWORK AND BUSINESS DELIVERY CHANNELS

Business Delivery Channels	31.03.18	30.06.17	30.06.18
Branches	2911	2908	2908
Extension Counters	4	4	4
ATMs/BNA/CR	4009	3928	3824
Satellite Offices	34	34	34
TOTAL	6958	6874	6770

Branch Mix	31.03.18	30.06.17	30.06.18
1.Rural	745	745	745
2.Semi-Urban	771	771	771
3.Urban	665	663	665
4.Metro	730	729	727
TOTAL	2911	2908	2908



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SHARE HOLDING PATTERN – JUNE 2018

	30.06.2018
Share Capital	Rs 1198.83 Crs
No. of Shares	1198831827

	30.06.2018 (Rs in Crores)	% Share Holding
Government of India	934.97	77.99
General Public	106.01	8.84
Private Corporate Bodies	16.07	1.34
Mutual Funds & UTI	10.29	0.86
Banks/FIs/Insurance Cos	100.67	8.40
Foreign Institutional Investors	27.16	2.27
Others	3.66	0.30
Total	1198.83	100



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BUSINESS PERFORMANCE HIGHLIGHTS

(Amount Rs in crores)

Details	AS ON			
	31.03.18	30.06.17	30.06.18	Variance (Y-o-Y) %
Total Deposits	208070	188272	202968	7.81%
Total Advances	164535	145801	160506	10.09%
Total Business	372605	334073	363474	8.80%
Investments (Net)	64770	58772	64949	10.51%
CD Ratio	79.08%	77.44%	79.10%	-
Net Profit / Loss for the period ended	-3413	40	-540	-



Andhra Bank

DEPOSITS - COMPOSITION

(Amount Rs in crores)

Type of Deposit	AS ON			
	31.03.18	30.06.17	30.06.18	Variance (Y-o-Y) %
Current Deposits	10360	9557	9538	-0.19%
% Share	4.98	5.08	4.70	
Savings Deposits	54236	49117	54985	11.95%
% Share	26.06	26.09	27.09	
CASA	64596	58674	64523	9.96%
% Share	31.04	31.17	31.79	
Term Deposits	143474	129598	138445	6.83%
% Share	68.96	68.83	68.21	
TOTAL	208070	188272	202968	7.81%



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ADVANCES

(Amount Rs in crores)

SECTOR	AS ON			
	31.03.18	30.06.17	30.06.18	Variance (Y-o-Y) %
Corporate & Mid Corporate Advances	61015	59918	59285	-1.06%
MSME	33697	28637	30845	7.71%
Retail Credit	38979	29327	37954	29.42%
Agriculture	30844	27919	32422	16.13%
Gross Bank Credit	164535	145801	160506	10.09%



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NET PROFIT

(Amount Rs in crores)

Sl. No.	Particulars	Year ended	Quarter ended		
		Mar 18	Jun 17	Jun 18	Variance (Y-o-Y)%
1	Interest Income	17975	4402	4527	2.84%
2	Interest Expenses	11640	2961	3067	3.58%
3	NII (Spread) (1-2)	6335	1441	1460	1.32%
4	Other Income	2372	753	565	-24.97%
5	Operating Expenses	3346	825	817	-0.97%
6	Operating Profit	5361	1369	1208	-11.76%
7	Provisions	10822	1301	1708	31.28%
8	Taxes	-2048	28	40	42.86%
9	Net Profit / Loss (6-7-8)	-3413	40	-540	-



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INTEREST INCOME

(Amount Rs in crores)

Interest on	Year ended	Quarter ended		
	Mar 2018	Jun 2017	Jun 2018	Variance (Y-o-Y)%
Advances	13069	3243	3296	1.63%
Investment	4489	1017	1175	15.54%
Others	417	142	57	-60.56%
TOTAL INTEREST INCOME	17975	4402	4527	2.84%



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INTEREST EXPENSES

(Amount Rs in crores)

Interest on	Year ended	Quarter ended		
	Mar 18	Jun 17	Jun 18	Variance (Y-o-Y)%
Deposits	10785	2752	2824	2.62%
Sub-ordinate Debt/Other Innovative capital instruments	656	186	207	11.29%
Borrowings	199	23	36	56.52%
TOTAL INTEREST EXPENSE	11640	2961	3067	3.58%



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PROFIT & LOSS ACCOUNT – SPREAD MANAGEMENT

(Amount Rs in crores)

Particulars	Year ended	Quarter ended		
	Mar 2018	Jun 2017	Jun 2018	Variance (Y-o-Y)%
Interest Income	17975	4402	4527	2.84%
Interest Expenses	11640	2961	3067	3.58%
Interest Spread (NII)	6335	1441	1460	1.32%
NIM(On Earning Assets)	3.33	3.12	2.94	-5.77%



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PROFIT & LOSS ACCOUNT – NON-INTEREST INCOME

(Amount Rs in crores)

Particulars	Year ended	Quarter ended	
	Mar 2018	Jun 2017	Jun 2018
A) Non-interest Income from Core Operations			
1) Processing Fee	287	82	72
2) Other Income	717	170	224
3) Rent on Lockers	59	4	2
4) Recovery in Written off Accounts	128	24	79
5) Commission & Exchange	557	140	131
Sub Total – (A)	1748	420	508
B) Non Interest Income from Treasury			
1) Profit on Sale of Investments	489	313	36
2) Dividend Income	5	1	0
3) Forex Profit	130	19	21
Sub Total – (B)	624	333	57
C) Total Non Interest Income (A+B)	2372	753	565



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PROFIT & LOSS ACCOUNT - NON-INTEREST EXPENDITURE

(Amount Rs in crores)

Particulars	Year ended	Quarter ended		
	Mar 2018	Jun 2017	Jun 2018	Variance (Y-o-Y)%
Establishment Expenses	1858	484	440	-9.09%
Other Operating Expenses	1488	341	377	10.56%
TOTAL:	3346	825	817	-0.97%



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PROVISIONS & CONTINGENCIES

(Amount Rs in crores)

Particulars	Year ended	Quarter ended	
	Mar 2018	Jun 2017	Jun 2018
Income Tax	-2048	28	40
Dep./Loss on revaluation of Investments	959	61	24
Depreciation on Transfer to/from HTM	85	85	313
Provision for NPAs	10103	1209	1388
Provision against Standard Assets & others	-325	-54	-17
Total	8774	1329	1748



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KEY RATIOS – COST & YIELD

Ratios	Year ended	Quarter ended	
	Mar 2018	Jun 2017	Jun 2018
Cost of Deposits %	5.57	5.81	5.48
Cost of Funds %	4.99	5.26	4.91
Yield on Advances %	8.84	9.07	8.30
Yield on Investments %	7.50	7.63	7.48
Yield on Funds %	7.71	7.82	7.24



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PROFITABILITY RATIOS

Ratios	Year ended	Quarter ended	
	Mar 2018	Jun 2017	Jun 2018
Return on Assets(ROA)%	-1.46	0.07	-0.86
Return on Avg. Net worth % (Annualised)	-36.13	1.54	-30.98
Earning per Share (Amt in Rs) Annualized	-38.94	2.37	-18.01
Book value per share (Amt in Rs)	60.25	147.35	56.04



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OPERATING RATIOS

Ratios	Year ended	Quarter ended	
	Mar 2018	Jun 2017	Jun 2018
Cost to Income Ratio (%)	38.43	37.58	40.35
Staff Cost as % of Average Working Funds	0.80	0.86	0.70
Other Operating Expenses as % of Average Working Funds	0.64	0.61	0.60
Operating Profit to AWF (%)	2.30	2.43	1.93
Staff Cost to Total Expenditure (%)	12.40	12.78	11.33



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PRODUCTIVITY RATIOS

(Amount Rs in crores)

Ratios	As on		
	Mar 2018	Jun 2017	Jun 2018
Business Per Employee	18.71	17.18	17.56
Net Profit Per Employee	-0.17	0.01	-0.03
Business Per Branch	126.35	114.88	124.99
Gross Profit Per Branch	1.84	0.47	0.42



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CAPITAL ADEQUACY RATIOS (Basel III)

(Amount Rs in crores)

Ratio	AS ON					
	31.03.2018		30.06.2017		30.06.2018	
Total Risk Weighted Assets	151863		160341		141426	
Common Equity Tier I Ratio	8526	5.61%	11950	7.45%	7865	5.56%
Additional Tier I Ratio	2780	1.83%	2300	1.44%	2780	1.97%
Tier II Ratio	5401	3.56%	4959	3.09%	4795	3.39%
Total Capital Ratio (CRAR)	16707	11.00%	19209	11.98%	15440	10.92%



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INVESTMENTS (NET) AS ON

(Amount Rs in crores)

Particulars	31.03.2018	30.06.2017	30.06.2018
Net Investments	64770	58772	64949
HTM	42476	37746	42108
AFS	22294	20022	22841
HFT	0	1004	0
Duration (AFS)	5.22	2.82	3.32
Modified Duration (AFS)	5.02	2.70	3.18
Duration Total Portfolio	5.83	5.16	5.32
Modified Duration Total Portfolio	5.61	4.98	5.10
Yield on Investments	7.50	7.63	7.48



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INVESTMENTS – CLASSIFICATION AS ON

Types of Net Investments	March 2018	% of Total	Jun 2017	% of total	Jun 2018	% of Total
SLR	56237	86.83%	52934	90.07	56406	86.85
Non SLR	8533	13.17%	5838	9.93	8543	13.15
Total	64770	100.00%	58772	100.00	64949	100.00



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AGRICULTURE CREDIT- BREAK UP

(Amount Rs in crores)

Category	AS ON			
	31.03. 18	30.06.17	30.06.18	Variance (Y-o-Y) %
AGRI GOLD LOANS	6272	5855	6460	10.33
AGRI TERM LOANS	3456	2433	3384	39.09
PATTABHI AGRI CASH CREDITS (KCC)	9445	8032	9449	17.64
SHG FARM SECTOR	6006	4901	5957	21.55
OTHERS *	5665	6698	7172	7.08
TOTAL	30844	27919	32422	16.13

* Including RIDF and non priority sector



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RETAIL CREDIT- BREAK UP

(Amount Rs in crores)

Category	AS ON			
	31.03. 18	30.06.17	30.06.18	Variance (Y-o-Y) %
Housing Loans	17941	15459	18543	19.94%
Non Agriculture Gold Loans	2984	2747	3102	12.92%
Other Retail Credit (Educational Loans, Consumer/clean loans, deposit loans)	18054	11121	16309	46.65%
Total	38979	29327	37954	29.41%



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MSME CREDIT- BREAK UP

(Amount Rs in crores)

Category	AS ON			
	31.03. 18	30.06.17	30.06.18	Variance (Y-o-Y) %
MICRO	11138	10527	10241	-2.72%
SMALL	11921	11040	11879	7.60%
MEDIUM	10638	7070	8725	23.41%
TOTAL	33697	28637	30845	7.71%



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INDUSTRY WISE CREDIT EXPOSURE AS ON 30.06.2018

(Amount Rs in 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	17214.51	9.88	12504.26	7.97
2	Housing Loans	20131.97	11.55	16558.29	9.50
3	NBFC	12961.56	7.44	10953.59	6.87
4	Iron & Steel	8559.38	4.91	6288.11	4.21
5	Textiles	6953.40	3.99	6046.06	3.57
6	Construction & Contractors	7547.16	4.33	5691.59	3.50
7	Commercial Real Estate	3459.26	1.98	2672.01	1.53
8	Rice Mills	4461.35	2.56	3808.80	2.19
9	Engineering (Heavy & Light)	2783.45	1.60	2512.73	1.46
10	Diamonds, Gems & Jewelers	2012.43	1.15	1700.47	0.98



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INDUSTRY WISE CREDIT EXPOSURE AS ON 30.06.2018 (Contd.)

(Amount Rs in 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	2405.93	1.38	1735.37	1.00
12	Drugs & Pharmaceuticals	2509.77	1.44	2272.65	1.30
13	Sugar	1027.82	0.59	846.09	0.50
14	Hotels	604.32	0.35	624.26	0.36
15	Cement & Cement Products	1099.87	0.63	724.38	0.42
16	Tobacco	1272.01	0.73	1155.23	0.66
17	Hospitals	712.26	0.41	524.44	0.30
18	Educational Institutions	1008.62	0.58	702.00	0.41
19	Distilleries	231.97	0.13	212.26	0.12
20	Software	102.90	0.06	90.29	0.05



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CREDIT EXPOSURE TO INFRASTRUCTURE AS ON 30.06.2018

Sl. No	Industry	Actual Fund Based Exposure	Exposure as % of Total Advances of Previous Quarter	Actual Fund Based Outstanding	(Amount Rs in crores) Outstanding as % of Total Advances of Previous Quarter
1	Energy	17214.52	9.88	12504.26	7.97
	a) Power	17214.52	9.88	12504.26	7.97
	b) Gas Transportation	0.00	0	0	0
2	Transportation	5339.51	3.06	4167.86	2.42
	a) Roads, Bridges & Rail	4512.65	2.59	3523.11	2.04
	b) Ports & Airports	141.66	0.08	122.90	0.08
	c) Public Transport	685.20	0.39	521.85	0.30
3	Water & Sanitation	3248.14	1.86	2188.65	1.26
4	Communications	2650.88	1.52	1843.81	1.30
5	Social & Commercial (of which)	1585.16	0.91	1093.47	0.64
	a) Hospitals	281.03	0.16	208.22	0.12
	b) Educational Institutes	468.65	0.27	283.24	0.17
	c) SEZ	250.93	0.14	111.97	0.07
	d) Cold Storage/Rural Godowns	121.02	0.07	79.97	0.05
	e) Fertilizers	388.53	0.22	360.12	0.21
	f) Hotels	75.00	0.04	49.95	0.03
	TOTAL	30038.21	17.23	21798.05	13.59



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ASSET QUALITY AS ON

(Amount Rs in Crores)

Asset Quality	31.03.18	30.06.17	30.06.18
Standard Assets	136410 (82.91%)	126373 (86.68%)	133722 (83.81%)
Total NPAs (of which)	28124 (17.09%)	19428 (13.33%)	26785 (16.69%)
Sub-Standard Assets	6242 (3.79%)	5864 (4.02%)	4867 (3.03%)
Doubtful Assets	21072 (12.81)	13509 (9.26%)	21258 (13.25%)
Loss Assets	810 (0.49%)	55 (0.04%)	660 (0.41%)
TOTAL	164535 (100.00)	145801 (100.00%)	160507 (100.00%)



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SECTOR WISE NPA%

(Amount Rs in crores)

SECTORS	As on 30.06.2017			As on 30.06.2018		
	Advances	NPA	NPA % to Total Advances (Sector wise)	Advances	NPA	NPA % to Total Advances (Sector wise)
AGRICULTURE	27919	1299	4.65%	32422	1421	4.38%
MSME	28637	2976	10.39%	30845	4572	14.82%
RETAIL CREDIT	29327	545	1.86%	37954	897	2.36%
LARGE & MID CORPORATE	59918	14608	24.38%	59285	19895	33.55%
TOTAL	145801	19428	13.33%	160506	26785	16.69%



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NPA MOVEMENT

(Amount Rs in crores)

PARAMETER	Year ended	Quarter ended	
	Mar 2018	Jun 2017	Jun 2018
NPAs at the beginning of the period	17670	17670	28124
Add: Additions during the period	13864	2297	1600
NPAs after addition	31534	19967	29724
Less: Reduction during the period	3410	539	2939
of which -Up gradation/Recovery	1744	331	1278
- Technical Write off/ Write off in compromise accounts	1666	208	1661
NPAs at the end of the period	28124	19428	26785
Gross NPA %	17.09%	13.33%	16.69%
Net NPAs at the end of the period	12637	11120	11561
Net NPA %	8.48%	8.09%	7.96%
Provision Coverage Ratio	60.90%	51.73%	64.27%



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RESTRUCTURED ACCOUNTS AS ON 30.06.2018

(Amount Rs in crores)

Sl.No.	Particulars	No. of Accounts	Amount
1	Below Rs 1 Crore	1	1
2	Rs 1 Crore to less than Rs 25 Crores	8	77
3	Rs 25 Crores and above	16	1422
4	Total	25	1500



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CONSOLIDATED POSITION OF RESTRUCTURED ACCOUNTS AS ON 30.06.18

Particulars	Amount Rs in crores
Restructured up to 31.03.2018	1711
Fresh Restructured during the year	11
Disbursements in Restructured Accounts	11
Sub Total	1733
Less- Accounts Upgraded by special provision/ accounts closed & recoveries	130
-Accounts slipped to NPAs during the Period	103
Restructured Closing Balance	1500



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TOTAL RESTRUCTURED ACCOUNTS – SECTORWISE

(Amount Rs in crores)

Sl. No	Sector	As on 31.03.2018		As on 30.06.2018	
		No. of Accts	Amount in Crs	No. of Accts	Amount in Crs
1	Total Restructured Accounts and Amount	27	1711	25	1500
2	Out of which				
	i) Micro, Small and Medium Enterprises	9	176	13	265
	ii) Housing Loans Restructured	0	0	0	0
	iii) Agricultural Loans	1	16	0	0
	iv) Other Retail Credit(Educational Loans, Mortgage Loans etc)	0	0	0	0
	v) Major Industries Restructured	17	1519	12	1235



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BREAK UP OF MAJOR INDUSTRIES RESTRUCTURED – As on

(Amount Rs in crores)

Sector	31.03.2018	30.06.2017	30.06.2018
MSME & Major Industries (Of which)	1695	7079	1500
a. Textiles	27	135	26
b. Engineering	50	48	78
c. Sugar	233	153	225
d. Iron & Steel	0	468	15
e. Contractors	113	171	113
Sub Total (A)	423	975	457
f. Infrastructure(B)	1115	5700	1037
Of which			
i) Power	621	4290	613
ii) Educational Institutions	0	10	0
iii) Roadways	387	1223	284
iv) Telecom	0	66	0
v) other infra	107	110	140
g. Others(C)	157	404	6
TOTAL(A+B+C)	1695	7079	1500



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THANK YOU!

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