

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.176/278

Dt: 08.08.2016

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 ended June 30, 2016 provided to the Analysts /Institutional Investors at their meeting held on August 08, 2016

Ref: Our letter no. 666/25/P.176/270 dated 05/08/2016

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of Presentation on Performance/ Financial Highlights of the Bank for the quarter ended June 30, 2016 provided to the Analysts/ Institutional Investors at their meeting held on August 08, 2016, 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

June 2016



HIGHLIGHTS

- Business grew by 13% from ₹ 279226 Crs to ₹ 315496 Crs.
- Total deposits grew by 16.2% from ₹ 153380 Crs to ₹ 178268 Crs.
- Retail advances grew by 26.5% from ₹ 19493 Crs to ₹ 24660 Crs

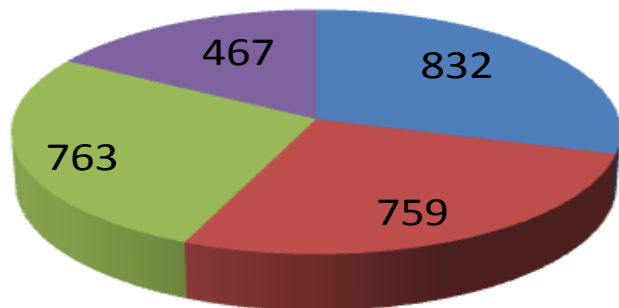


Andhra Bank

BRANCH NETWORK AND BUSINESS DELIVERY CHANNELS

BRANCH MIX

RURAL SEMIURBAN
URBAN METRO



Business Delivery Channels

Business Delivery Channels	31.03.16	30.06.15	30.06.16
Branches	2803	2522	2821
Extension Counters	4	4	4
ATMs	3636	2272	3711
Satellite Offices	34	35	34
TOTAL	6477	4833	6570

Branch Mix

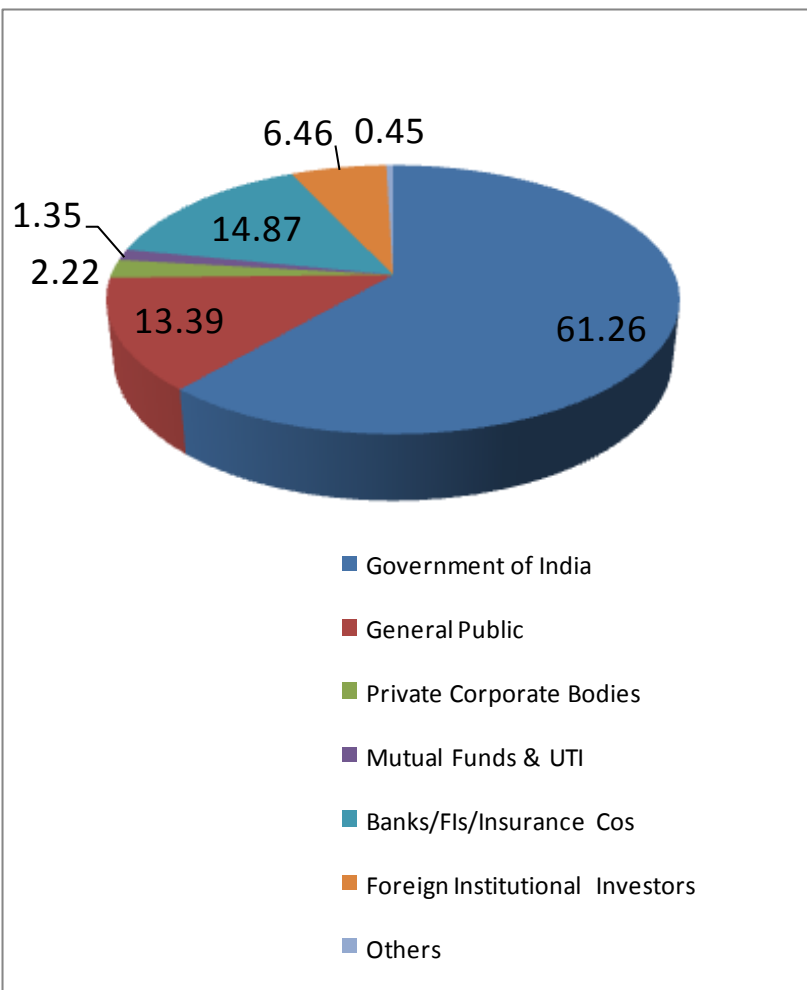
Branch Mix	31.03.16	30.06.15	30.06.16
1.Rural	827	724	832
2.Semi-Urban	757	691	759
3.Urban	756	699	763
4.Metro	463	408	467
TOTAL	2803	2522	2821

 Bank has Representative Offices in Dubai & New Jersey



Andhra Bank

SHARE HOLDING PATTERN – JUNE 2016



	30.06.2015	30.06.2016
Share Capital	602.85 Crs	681.16 Crs
No. of Shares	60.28 Crs	68.11 Crs

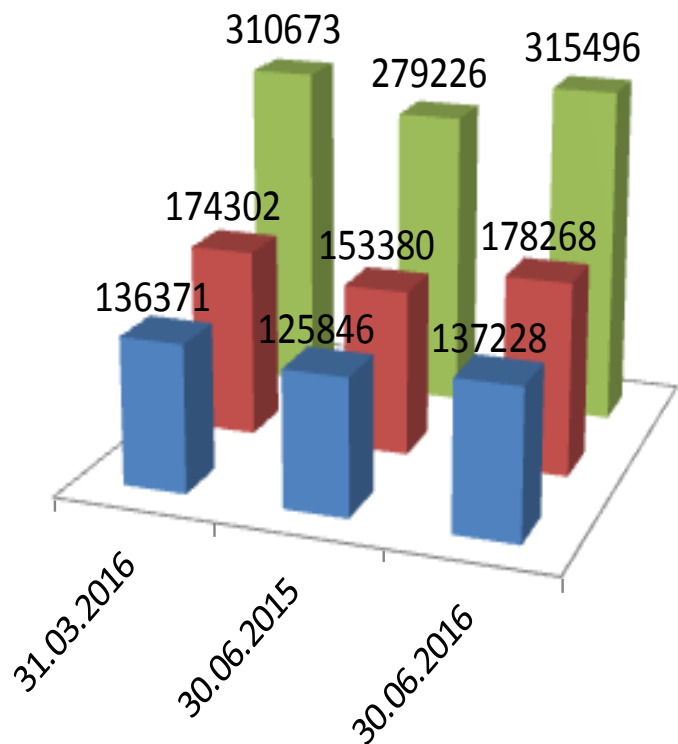
	30.06.2015	30.06.2016
Government of India	61.02	61.26
General Public	13.61	13.39
Private Corporate Bodies	2.04	2.22
Mutual Funds & UTI	3.50	1.35
Banks/FIs/Insurance Cos	12.26	14.87
Foreign Institutional Investors	7.04	6.46
Others	0.53	0.45
Total	100.00	100.00



BUSINESS PERFORMANCE HIGHLIGHTS

(Amount in ₹ crores)

■ Total Advances ■ Total Deposits ■ Total Business



Details	31.03.16	30.06.15	30.06.16	Variance (Y-o-Y) %
Total Deposits	174302	153380	178268	16.23%
Total Advances	136371	125846	137228	9.04%
Total Business	310673	279226	315496	12.99%
Investments (Net)	53864	49221	53340	8.37%
Net Profit	540	203	31	-84.73%
CD Ratio	78.24%	82.05%	76.98%	-

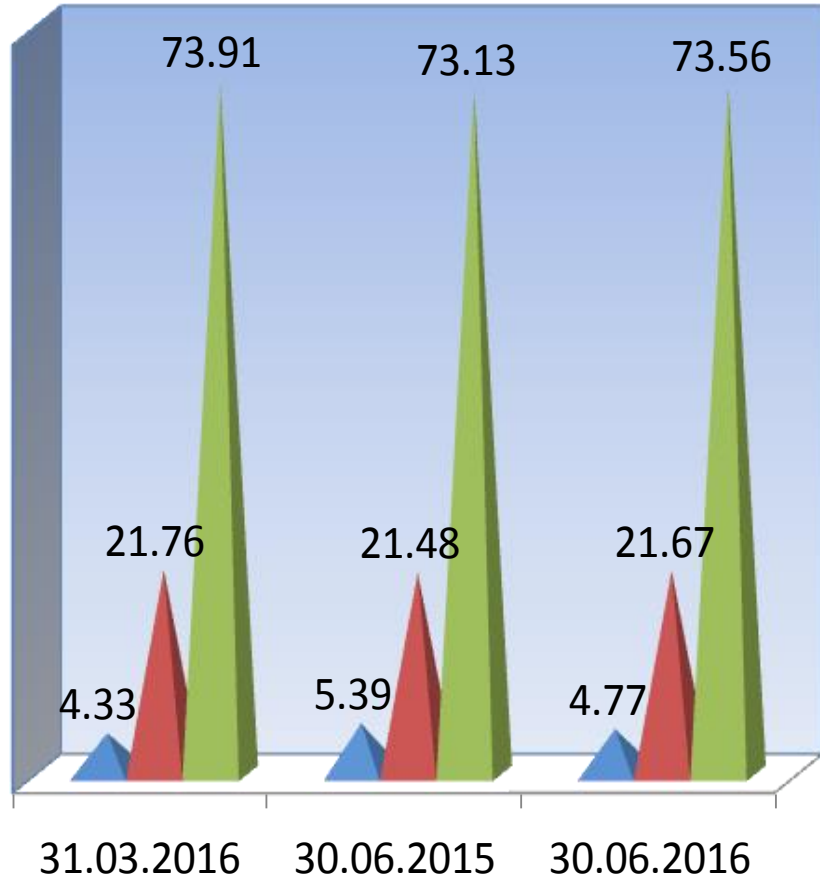


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DEPOSITS - COMPOSITION

(Amount in ₹ crores)

■ Current ■ Savings ■ Term



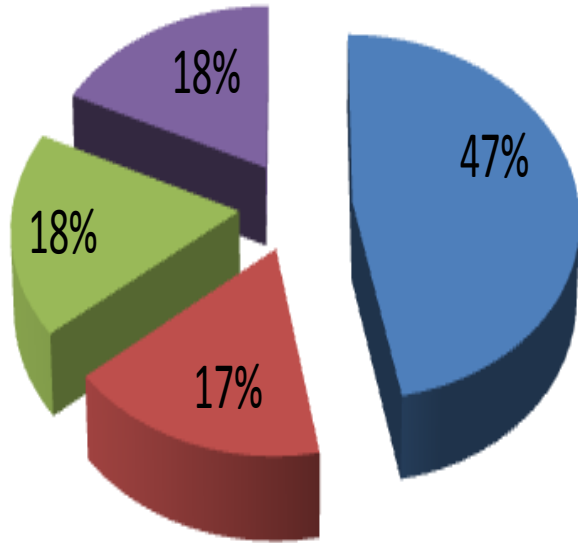
Type of Deposit	Quarter Ended			Variance (Y-o-Y) %
	31.03.16	30.06.15	30.06.16	
Current Deposits	7541	8271	8501	2.78%
% Share	4.33	5.39	4.77	-
Savings Deposits	37924	32951	38641	17.27%
% Share	21.76	21.48	21.67	-
CASA	45465	41222	47142	14.36%
% Share	26.09	26.88	26.44	-
Term Deposits	128837	112158	131126	16.91%
% Share	73.91	73.13	73.56	-
TOTAL	174302	153380	178268	16.23%



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ADVANCES

(Amount in ₹ crores)



- Corporate & Mid Corporate Advances
- MSME
- Retail Credit
- Agriculture

SECTOR	31.03.16	30.06.15	30.06.16	Variance (Y-o-Y) %
Corporate & Mid Corporate Advances	63986	63543	64650	1.74%
MSME	23278	22537	23244	3.14%
Retail Credit	24428	19493	24660	26.51%
Agriculture	24679	20273	24674	21.71%
NET Bank Credit	136371	125846	137228	9.04%



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NET PROFIT

(Amount in ₹ crores)

Sl. No.	Particulars	Year ended	Quarter ended			
		Mar 16	Mar 16	June 15	June 16	Variance (Y-o-Y)%
1	Interest Income	17635	4652	4215	4372	3.72%
2	Interest Expenses	12314	3152	3058	3103	1.47%
3	NII (Spread) (1-2)	5321	1500	1157	1269	9.68%
4	Other Income	1564	473	314	484	54.14%
5	Operating Expenses	2925	799	645	753	16.74%
6	Operating Profit	3960	1174	826	1000	21.07%
7	Provisions	2956	1023	503	944	87.67%
8	Taxes	464	99	120	25	-79.17%
9	Net Profit (6-7-8)	540	52	203	31	-84.73%



INTEREST INCOME

(Amount in ₹ crores)

Interest on	Year ended	Quarter ended			
	Mar 2016	Mar 2016	June 2015	June 2016	Variance (Y-o-Y)%
Advances	13468	3393	3243	3336	2.87%
Investment	3876	1050	959	990	3.23%
Others	291	209	13	46	253.85%
TOTAL INTEREST INCOME	17635	4652	4215	4372	3.72%



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INTEREST EXPENSES

(Amount in Rs crores)

Interest on	Year ended	Quarter ended			
	Mar 16	Mar 16	June 15	June 16	Variance (Y-o-Y)%
Deposits	11405	2954	2803	2945	5.07%
Sub-ordinate Debt/Other Innovative capital instruments	409	122	78	140	79.49%
Borrowings	500	76	177	18	-89.83%
TOTAL INTEREST EXPENSE	12314	3152	3058	3103	1.47%



PROFIT & LOSS ACCOUNT – SPREAD MANAGEMENT

(Amount in ₹ crore)

Particulars	Year ended	Quarter ended			
	Mar 2016	Mar 2016	June 2015	June 2016	Variance (Y-o-Y)%
Interest Income	17635	4652	4215	4372	3.72%
Interest Expenses	12314	3152	3058	3103	1.47%
Interest Spread (NII)	5321	1500	1157	1269	9.68%
NIM(On Earning Assets)	3.18	3.41	2.87	2.90	-



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PROFIT & LOSS ACCOUNT – NON-INTEREST INCOME

(Amount in ₹ crore)

Particulars	Year ended	Quarter ended		
	Mar 2016	March 2016	June 2015	June 2016
A) Non-interest Income from Core Operations				
1) Processing Fee	289.03	94.05	47.51	83.01
2) Other Income	305.52	117.41	58.30	75.03
3) Rent on Lockers	59.85	4.97	3.44	3.64
4) Recovery in Written off Accounts	116.51	25.44	35.40	11.36
5) Commission & Exchange	429.29	125.61	92.23	119.34
Sub Total – (A)	1200.20	367.48	236.88	292.38
B) Non Interest Income from Treasury				
1) Profit on Sale of Investments	230.55	73.13	74.29	151.97
2) Dividend Income	6.39	0.67	0.27	0.67
3) Forex Profit	127.34	31.56	2.75	38.51
Sub Total – (B)	364.28	105.36	77.31	191.15
C) Total Non Interest Income (A+B)	1564.48	472.84	314.19	483.53



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PROFIT & LOSS ACCOUNT - NON-INTEREST EXPENDITURE

(Amount in ₹ crore)

Particulars	Year ended	Quarter ended			
	Mar 2016	Mar 2016	June 2015	June 2016	Variance (Y-o-Y)%
Establishment Expenses	1735	455	376	438	16.49%
Other Operating Expenses	1190	344	269	315	17.10%
TOTAL:	2925	799	645	753	16.74%



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PROVISIONS & CONTINGENCIES

(Amount in ₹ crore)

Particulars	Year ended	Quarter ended		
	Mar 2016	June 2015	June 2016	Variance (Y-o-Y) %
Income Tax	464	120	25	-79.17%
Dep./Loss on revaluation of Investments	68	129	14	-89.15%
Provision for NPAs	3100	518	942	81.85%
Provision against Standard Assets	67	-	-13	-
Provision on Restructured Assets	-319	-179	-8	-
Depreciation on Transfer to HTM	4	4	18	-
Others	36	31	-9	-
Total	3420	623	969	55.54%



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KEY RATIOS – COST & YIELD

Ratios	Year ended	Quarter ended	
	Mar 2016	June 2015	June 2016
Cost of Deposits %	7.18	7.46	6.75
Cost of Funds %	6.46	6.72	6.02
Yield on Advances %	10.71	10.82	9.95
Yield on Investments %	8.05	8.06	7.91
Yield on Funds %	9.25	9.26	8.48



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PROFITABILITY RATIOS

Ratios	Year ended	Quarter ended	
	Mar 2016	June 2015	June 2016
Return on Assets(ROA)%	0.28	0.45	0.06
Return on Avg. Net worth %	5.40	8.64	1.21
Earning per Share (Amt in ₹)	8.60	13.44	1.83
Book value per share (Amt in ₹)	150.68	157.21	151.44
Net Worth to GBC %	7.53	7.53	7.52



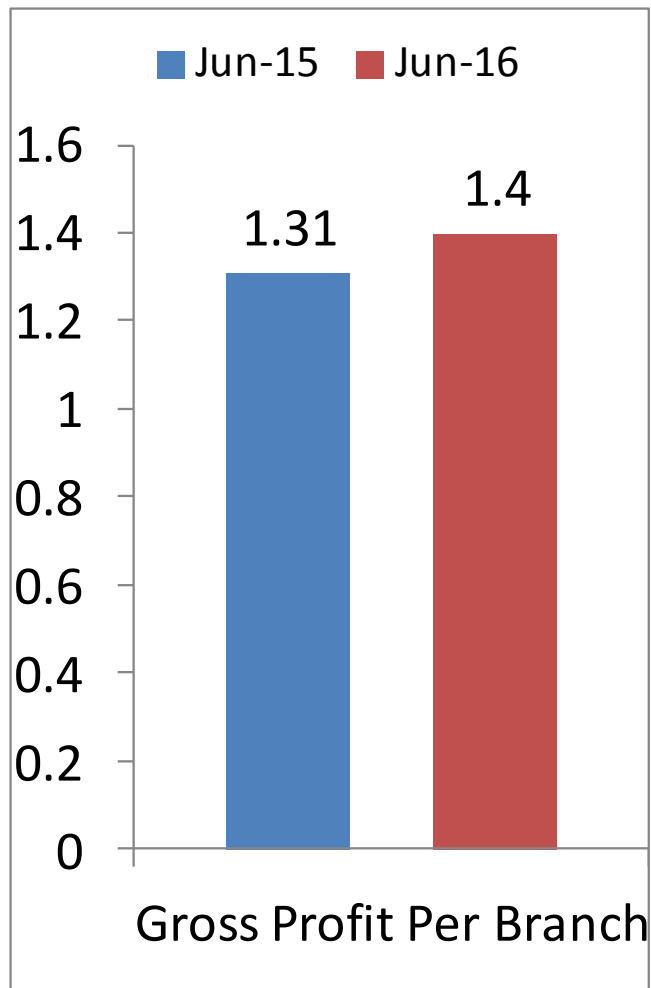
OPERATING RATIOS

Ratios	Year ended	Quarter ended	
	Mar 2016	June 2015	June 2016
Cost to Income Ratio (%)	42.49	43.91	42.95
Staff Cost as % of Average Working Funds	0.91	0.83	0.85
Other Operating Expenses as % of Average Working Funds	0.62	0.59	0.61
Operating Profit to AWF (%)	2.08	1.81	1.94
Staff Cost to Total Expenditure (%)	11.38	10.16	11.37



PRODUCTIVITY RATIOS

(Amount in ₹ crore)



Ratios	Quarter ended	
	June 2015	June 2016
Business Per Employee	14.30	15.94
Net Profit Per Employee	0.04	0.01
Business Per Branch	110.72	111.84
Gross Profit Per Branch	1.31	1.40



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CAPITAL ADEQUACY RATIOS (Basel III)

(Amount in ₹ crore)

Ratio	31.03.2016		30.06.2016	
Total Risk Weighted Assets	135883.94		140064.64	
Common Equity Tier I Ratio	10553.36	7.77%	10569.97	7.55%
Additional Tier I Ratio	1411.94	1.04%	1411.87	1.01%
Tier II Ratio	3767.44	2.77%	4735.93	3.38%
Total Capital Ratio (CRAR)	15732.74	11.58%	16717.77	11.94%



INVESTMENTS (NET)

(Amount in ₹ crore)

Particulars	31.03.2016	30.06.2015	30.06.2016
Net Investments	53864	49221	53340
HTM	39127	29209	36667
AFS	14737	18995	16667
HFT	--	1017	6
Duration (AFS)	3.77	3.95	2.15
Modified Duration (AFS)	3.61	3.79	2.06
Duration Total Portfolio	4.91	4.39	4.55
Modified Duration Total Portfolio	4.72	4.21	4.38
Yield on Investments	8.05	8.06	7.91



INVESTMENTS - CLASSIFICATION

(Amount in ₹ crore)

Types of Net Investments	March 2016	% of Total	June 2015	% of Total	June 2016	% of Total
SLR	48090	89.28%	44994	91.41%	47694	89.42%
Non SLR	5774	10.72%	4227	8.59%	5646	10.58%
Total	53864	100.00%	49221	100.00%	53340	100.00%

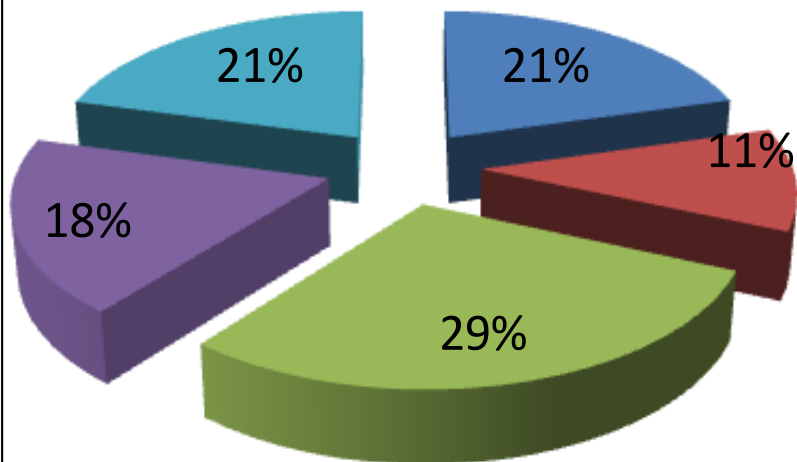


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AGRICULTURE CREDIT- BREAK UP

(Amount in ₹ crore)

- AGRI GOLD LOANS
- AGRI TERM LOANS
- PATTABHI AGRI CASH CREDITS (KCC)
- SHG FARM SECTOR
- OTHERS



Category	March 2016	June 2015	June 2016	Variance (Y-o-Y) %
AGRI GOLD LOANS	4769	3968	5153	29.86%
AGRI TERM LOANS	2827	3220	2698	-16.21%
PATTABHI AGRI CASH CREDITS (KCC)	7286	6466	7315	13.13%
SHG FARM SECTOR	4862	3870	4602	18.91%
OTHERS *	4935	2749	5197	89.05%
TOTAL	24679	20273	24965	23.14%

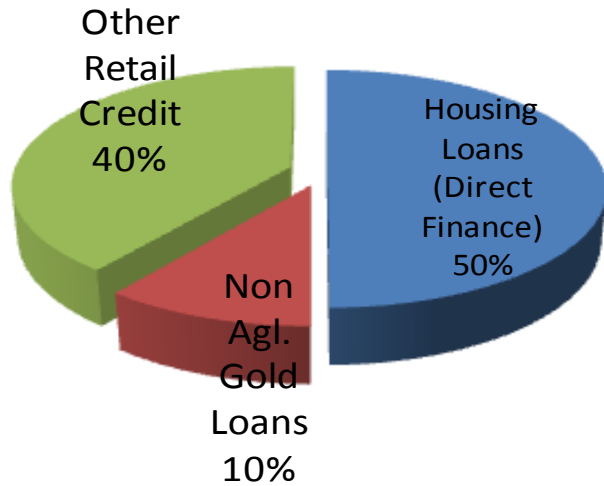
* Including RIDF and non priority sector



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RETAIL CREDIT- BREAK UP

(Amount in ₹ crore)



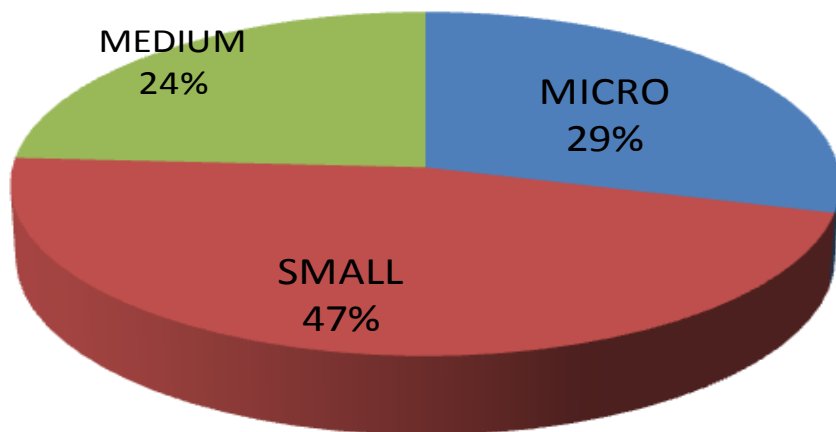
Category	March 2016	June 2015	June 2016	Variance (Y-o-Y) %
Housing Loans	11811	10073	12313	22.24%
Non Agl. Gold Loans	2282	2976	2590	-12.97%
Other Retail Credit (Educational Loans, Consumer/clean loans, deposit loans)	10335	6444	9757	51.41%
Total	24428	19493	24660	26.51%



Andhra Bank

MSME CREDIT- BREAK UP

(Amount in ₹ crore)



Category	March 2016	June 2015	June 2016	Variance (Y-o-Y) %
MICRO	6273	5216	6787	30.12%
SMALL	11474	12711	10854	-14.61%
MEDIUM	5531	4610	5603	21.54%
TOTAL	23278	22537	23244	3.14%



Andhra Bank

INDUSTRY WISE EXPOSURE AS ON 30.06.2016

(Amount 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	15629.44	11.46	12819.26	9.40
2	Housing Loans	14608.83	10.71	13572.46	9.95
3	NBFC	11229.92	8.23	9230.51	6.77
4	Iron & Steel	7127.16	5.23	6776.83	4.97
5	Textiles	5764.07	4.23	4964.79	3.64
6	Construction & Contractors	4146.44	3.04	3549.21	2.60
7	Commercial Real Estate	3988.87	2.93	3341.70	2.45
8	Rice Mills	3433.18	2.52	2852.51	2.09
9	Engineering (Heavy & Light)	2548.99	1.87	2452.55	1.80
10	Diamonds, Gems & Jewelers	1999.81	1.47	1930.66	1.42



Andhra Bank

INDUSTRY WISE EXPOSURE AS ON 30.06.2016 (Contd.)

(Amount 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	2056.18	1.51	1662.12	1.22
12	Drugs & Pharmaceuticals	2609.22	1.91	1897.09	1.39
13	Sugar	1247.70	0.91	1102.35	0.81
14	Hotels	868.16	0.64	828.43	0.61
15	Cement & Cement Products	890.90	0.65	779.86	0.57
16	Tobacco	792.69	0.58	665.17	0.49
17	Hospitals	711.80	0.52	622.72	0.46
18	Educational Institutions	595.31	0.44	498.99	0.37
19	Distilleries	232.39	0.17	214.23	0.16
20	Software	166.22	0.12	180.43	0.13



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EXPOSURE TO INFRASTRUCTURE AS ON 30.06.2016

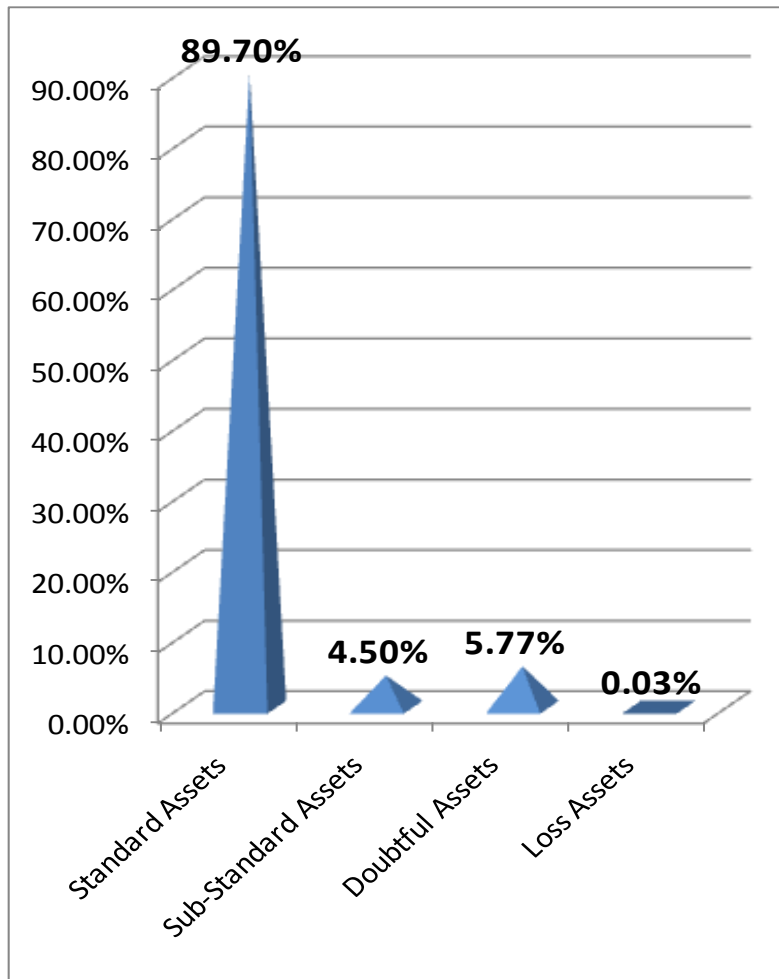
(Amount in ₹ crores)

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	Energy	15629.44	11.46	12819.26	9.40
	a) Power	15629.44	11.46	12819.26	9.40
	b) Gas Transportation	0.00	-	0.00	-
2	Transportation	5332.32	3.91	4578.31	3.36
	a) Roads, Bridges & Rail	4849.23	3.56	4121.38	3.02
	b) Ports & Airports	483.09	0.35	456.93	0.34
3	Water & Sanitation	187.39	0.14	91.08	0.07
4	Communications	1366.98	1.00	1182.14	0.87
5	Social & Commercial (of which)	1458.28	1.07	1321.06	0.97
	a) Hospitals	284.41	0.21	271.03	0.20
	b) Educational Institutes	328.95	0.24	261.12	0.19
	c) SEZ	102.46	0.08	101.12	0.07
	d) Cold Storage/Rural Godowns	358.47	0.26	303.94	0.22
	e) Fertilizers	383.99	0.28	383.85	0.28
	TOTAL	23974.41	17.58	19991.85	14.66



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ASSET QUALITY



Asset Quality	31.03.16	30.06.15	30.06.16
Standard Assets	124926.99 (91.61%)	118608.80 (94.25%)	123090.88 (89.70%)
Total NPAs (of which)	11443.63 (8.39%)	7237.59 (5.75%)	14137.27 (10.30%)
Sub-Standard Assets	3337.15 (2.45%)	1895.28 (1.51%)	6182.00 (4.50%)
Doubtful Assets	8063.97 (5.91%)	4810.97 (3.82%)	7913.58 (5.77%)
Loss Assets	42.51 (0.03%)	531.34 (0.42%)	41.69 (0.03%)
TOTAL	100.00%	100.00%	100.00%



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SECTOR WISE NPA%

(Amount in ₹ crore)

SECTORS	Quarter ended 30.06.2015			Quarter ended 30.06.2016		
	Advances	NPA	NPA % to Total Advances	Advances	NPA	NPA % to Total Advances
AGRICULTURE	20273	1202	0.96%	24674	1318	0.96%
MSME	22537	1298	1.03%	23244	2149	1.57%
RETAIL CREDIT	19493	387	0.31%	24660	401	0.29%
LARGE & MID CORPORATE	63543	4351	3.46%	64650	10269	7.48%
TOTAL	125846	7238	5.75%	137228	14137	10.30%



Andhra Bank

NPA MOVEMENT

(Amount in ₹ crore)

PARAMETER	Year ended	Quarter ended	
	Mar 2016	June 2015	June 2016
Gross NPAs at the beginning of the period	6876.54	6876.54	11443.63
Add: Additions during the period	6332.04	765.51	3524.41
NPAs after addition	13208.58	7642.05	14968.04
Less: Reduction during the period	1764.95	404.46	830.77
of which -Up gradation/Recovery	950.63	285.41	493.05
- Technical Write off	814.32	119.05	337.72
Gross NPAs at the end of the period	11443.63	7237.59	14137.27
Gross NPA %	8.39%	5.75%	10.30%
Net NPAs at the end of the period	6035.65	3650.22	8147.41
Net NPA %	4.61%	2.99%	6.21%
Provision Coverage Ratio	56.89%	61.33%	51.87%



Andhra Bank

RESTRUCTURED ACCOUNTS AS ON 30.06.2016

(Amount in ₹ crore)

Sl.No.	Particulars	No. Of Accts	Amount
1	Below ₹ 1 Crore	42	17.17
2	₹ 1 Crore to less than ₹ 25 Crores	39	306.08
3	₹ 25 Crores and above	66	10335.72
4	Total	147	10658.97



Andhra Bank

CONSOLIDATED POSITION OF RESTRUCTURED ACCOUNTS AS ON 30.06.16

(Amount in ₹ crore)

Particulars	Quarter ended
Restructured up to 31.03.2016	11393.09
Fresh Restructured during the year	963.03
Disbursements in Restructured Accounts	299.47
Sub Total	12655.59
Less- Accounts Upgraded by special provision/ accounts closed & recoveries	440.88
-Accounts slipped to NPAs during the Period	1555.74
Restructured Closing Balance	10658.97



Andhra Bank

TOTAL RESTRUCTURED ACCOUNTS – SECTORWISE – 30.06.2016

(Amount in ₹ crore)

Sl. No	Sector	As on 31.03.2016		As on 30.06.2016	
		No. of Accts	Amount in Crs	No. of Accts	Amount in Crs
1	Total Restructured Accounts and Amount	167	11393.09	147	10658.97
2	Out of which				
	i) Micro, Small and Medium Enterprises	54	999.20	49	378.36
	ii) Housing Loans Restructured	8	1.37	6	1.16
	iii) Agricultural Loans	21	72.00	17	63.00
	iv) Other Retail Credit(Educational Loans, Mortgage Loans etc)	4	0.25	2	0.06
	v) Major Industries Restructured	80	10320.27	73	10216.39



BREAK UP OF MAJOR INDUSTRIES RESTRUCTURED – As on 30.06.16

(in ₹ crore)

Sector	Year ended On March 2016	Quarter ended June 2016
MSME & Major Industries (Of which)	11319.47	10594.35
a. Textiles	510.71	207.12
b. Engineering	114.41	113.67
c. Sugar	250.12	157.28
d. Iron & Steel	2442.67	1913.76
e. Contractors	1396.75	838.72
Sub Total	4714.66	3230.55
h. Infrastructure	5710.99	6524.43
Of which i) Power	4568.85	5233.27
ii) Educational Institutions	14.36	73.71
iii) Roadways	976.95	1068.57
iv) Telecom	124.13	123.00
v) others infra	26.70	25.88
i. Others	893.82	839.37
TOTAL	11319.47	10594.35



Andhra Bank



ATAL PENSION YOJANA (APY)

Awards Received By Andhra Bank under APY



PHASE - I



PHASE - II



Andhra Bank

12th IDRBT Banking Technology Excellence Awards for 2015-16 - Two awards won by Andhra Bank



- Best Bank for Managing IT EcoSystem
- Best Bank for Digital Banking



Andhra Bank



Thank you

www.andhrabank.in