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Lr. No. 666/25/P.30/300

Dt: 05.11.2018

BSE Limited 25th Floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001 Fax No. 022-22723121 Scrip Code: 532418	The National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai - 400 051 Fax: 022-26598237/38 SYMBOL: ANDHRABANK
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Dear Sirs,

Sub: Submission of Press Release of the Bank for the Quarter ended September 30, 2018

We enclose a copy of Press Release of the Bank on the Unaudited Financial Results of the Bank for the Quarter ended September 30, 2018

Yours faithfully,
For Andhra Bank


(Raghuram Mallela)
Company Secretary

Encl: as above





आन्ध्रा बैंक
Andhra Bank
 देशवासियों का बैंक Where India Banks

PRESS RELEASE

03.11.2018

September 2018

KEY HIGHLIGHTS - Half Year Ended 30.09.2018 (Gr% over Sept 2017)

- ✓ Total Business increased by 9.16% YoY
- ✓ Total Advances increased by 12.97% YoY
- ✓ Retail Credit increased : 21.62% YoY, Agri. Credit increased: 16.39% YoY
- ✓ CASA Deposits increased by 8.71% YoY & CASA Ratio stood at 31.56%
- ✓ Net Interest Income increased by 15.12% YoY(Q2 FY18-FY17)
- ✓ Net Interest Margin improved from 3.21% (Q2 FY 18) to 3.44% (Q2 FY 19)
- ✓ Non-interest Income (Excl. Treasury) increased by 6.86% YoY
- ✓ GNPA Ratio Reduced from 17.09% in Mar-18 to 16.36% in Sep-18
- ✓ NNPA Ratio Reduced from 8.48% in Mar-18 to 7.49% in Sep-18
- ✓ PCR improved from 55.25% (Sep-17) ,60.90% (Mar-18) to 65.47% (Sep-18)
- ✓ Risk Weighted Assets decreased from Rs.163356 Cr (Sep-17),Rs. 151863 Cr (Mar-18) to Rs. 141079 Cr (Sep-18)

Business Performance – Growth in Key Parameters (Sept'17– Sept'18) & H1 FY 19

PROGRESS AT A GLANCE (Rs. in Crore)						
Parameter	Mar'18	Sep'17	Sep'18	Abs. Gr	YoY %	YTD %
Current Deposits	10298	9627	9629	2	0.02%	-6.50%
Savings Bank Deposits	54236	50361	55585	5224	10.37%	2.49%
CASA Deposits (excl bank deposit)	64534	59988	65214	5226	8.71%	1.05%
Term Deposits	143469	134526	141436	6910	5.14%	-1.42%
Aggregate Deposits	208003	194515	206650	12135	6.24%	-0.65%
Total Deposits (incl Bank deposit)	208070	194578	206697	12119	6.23%	-0.66%
Gross Advances	164535	149454	168838	19384	12.97%	2.62%
Priority Sector	70121	64873	74122	9249	14.26%	5.71%
Retail Credit incl DL & CCD	38979	32526	39558	7032	21.62%	1.49%
Agriculture	30844	28680	33381	4701	16.39%	8.23%
MSME**	33697	30831	30668	-163	-0.53%	-8.99%
Mid & Large Corp. & Others	61015	57417	65231	7814	13.61%	6.91%
Total Business	372605	344032	375534	31502	9.16%	0.79%
CASA Ratio	31.03%	30.84%	31.56%			
CD Ratio	79.08%	76.81%	81.68%			



Income & Profitability – 1st HY 2018-19

(Rs. in Crore)

Parameter	Full Year	Quarter Ended			6 Months		
	FY'18	Sep'18	Sep'17	Var. (%)	Sep'18	Sep'17	Var. (%)
Interest Income	17975	4755	4417	7.65%	9283	8819	5.26%
Non-Interest Income (Excl. Treasury)	1883	483	507	-4.73%	1012	947	6.86%
Total Income (Excl. Treasury)	19858	5238	4924	6.38%	9767	10294	-5.12%
Treasury Income (Profit on Sale)	489	11	81	-86.42%	47	394	-88.07%
Total Income (Incl. Treasury)	20347	5249	5005	4.88%	10341	10161	1.77%
Interest Expenses	11640	3027	2916	3.81%	6094	5877	3.69%
Operating Expenses	3346	925	794	16.50%	1742	1619	7.60%
Total Expenses	14986	3952	3710	6.52%	7836	7496	4.54%
Operating profit (Excl. Treasury)	4872	1287	1214	6.01%	2458	2270	8.28%
Operating Profit (Incl. Treasury)	5361	1298	1295	0.23%	2505	2664	-5.97%
Provisions &Contingencies	8774	1732	1680	3.10%	3479	3009	15.62%
Net Profit	-3413	-434	-385		-974	-345	
Net Interest Income	6335	1728	1501	15.12%	3189	2942	8.40%

IMPORTANT RATIOS

Parameter	Full Year	Quarter Ended		6 Months	
	FY'18	Sep'18	Sep'17	Sep'18	Sep'17
Cost of Deposits (%)	5.57%	5.49%	5.62%	5.48%	5.71%
Cost of Funds (%)	4.99%	4.76%	5.11%	4.83%	5.18%
Yield on Advances (%)	8.84%	8.67%	8.85%	8.49%	8.96%
Yield on Investments (%)	7.50%	7.38%	7.45%	7.43%	7.51%
Yield on Funds (%)	7.71%	7.48%	7.74%	7.36%	7.78%
Cost to Income Ratio (%)	38.43%	41.62%	38.01%	41.01%	37.79%
Provision Coverage Ratio (%)	60.90%	65.47%	55.25%	65.47%	55.25%
CRAR (Basel III) (%)	11.00%	12.17%	11.43%	12.17%	11.43%
EPS (annualized) (Rs)	-38.94	-14.48	-19.26	-16.25	-9.31
Return on Assets (%)	-1.46%	-0.68%	-0.67%	-0.77%	-0.30%
Net Interest Margin (NIM) (%)	3.33%	3.44%	3.21%	3.20%	3.17%
Book Value (Rs)	60.25	51.95	119.61	51.95	119.61

Asset Quality:-

ASSET QUALITY Amt. Rs. in Cr

Parameter	Sept-18		Mar-18	
	Amt.	Ratio	Amt.	Ratio
Gross NPA	27623	16.36%	28124	17.09%
Net NPA	11428	7.49%	12637	8.48%
Restructured Standard Adv.as % to Gross Bank Credit	1066	0.63%	1711	1.04%
Provision Coverage Ratio		65.47%		60.90%



Network & Delivery Channels: The Bank has 2900 number of branches (Rural: 752, SU: 769, Urban: 659 and Metro: 720) and 3811 number of ATMs/BNAs/CRs. The total number of delivery channels of the Bank is at 6749.

Priority Sector Advances (PSA) of the bank registered a YoY growth of 14.26 % (Sep'17 Vs Sep'18) constituted 41.52% of ANBC (Adjusted Net Bank Credit) against the norm of 40%. Further, the Bank earned a commission of Rs.113.21Cr through sale of PSLC during HY 1 of FY 2018-19.

- Credit to Minority Communities is at 7.97% of PSA as against the target of 15%.
- Financial assistance of Rs.6873 Cr.is extended to 235647 Self Help Groups

Retail Credit registered a YoY growth of 21.62% and reached a level of Rs. 39558 Cr

- Housing loans registered a YoY growth of 19.06% and reached a level of Rs. 19059 Cr
- Vehicle Loans registered a YoY growth of 11.40% and reached a level of Rs. 1739 Cr
- Non Agri. Gold Loans registered a growth of 14% YoY and reached a level of Rs.3246 Cr

Agricultural Credit registered a YoY growth of 16.39% and stood at Rs. 33381 Cr

- Agri. Advances (Priority) constituted 18.77% of ANBC against the norm of 18%.
- Adv. to Weaker sections constituted 13.67% of ANBC as against norm of 10%.
- Credit to Women beneficiaries is at 15.11 % of Net Bank Credit, as against the norm of 5%.
- Loans to Small & Marginal Farmers is at 10.98% of ANBC as against the norm of 8%.
- Direct lending to Non-corporates (Agri.) is at 14.58% as against the norm of 11.99%.

MSME Credit reached a level of Rs. 30668 Cr. During H1 FY 19, Rs. 2514 Cr of MSME advances transferred to Corporate Advances to comply with RBI guidelines on Priority Sector Classification Norms, excluding which, MSME witnessed a YOY growth of 8.3%.

- Bank has since on-boarded loan in 59 minutes platform enabling MSME entrepreneurs to get in-principle sanction of credit facilities up to Rs 1 Cr in 59 minutes.
- The bank joined RXIL for financing trade receivables through TReDS online digital platform.

Credit Cards: The card base of the Bank reached 2.73 Lakh with a growth of 42% (YoY)

IT Initiatives: The following customer centric IT initiatives introduced by the Bank:

- Auto filling feature enabled on Online LAPS applications through Website, whereby the customer details available with Bank after due authentication are autofilled in the online application form.
- UIDAI has released e-KYC API 2.5 that supports new VID (Virtual ID) capability and Bank has migrated with effect from 02.08.2018 to the new eKYC version 2.5 and can perform eKYC transactions using Virtual ID/ Aadhaar Number.
- FEBA- Finacle E Banking Application — new features added:
 - Know Internet Banking personalized user-id, using mobile OTP
 - Instant Overdraft Facility against Online Term Deposit through Internet Banking (Retail)
- BBPS for Corporate Net Banking Customers and Common BHIM App with this feature, the customer will be able to pay Bills for the merchants under five categories — DTH, Electricity, Gas, Water and Post Paid Mobiles



- ABTej- new features added: Enabled viewing policy details of AB Health Plus, AB Arogyadan and India First Life Insurance ad also enabled Credit to Sukanya Samridhi Scheme through ABTej App.

Financial Inclusion

- Bank has achieved 76.73% of Aadhaar seeding in active CASA accounts target and 67.27% in Aadhaar Authentication which is highest among the industry.
- Bank has enrolled 70581 APY accounts during the quarter and received an incentive of Rs.84.69 lakhs.
- Bank has exceeded the Extended Gram Swaraj Abhiyan (EGSA) targets under PMJDY, PMSBY and PMJJBY.
- Bank has established 290 enrolment / updation centres PAN India. The average enrollment / updation per center stood at 17 as against 8 set by UIDAI during second quarter.
- Bank has deployed 1,777 Bank Mitras and AEPS transactions at Bank Mitra channel also increased by 3.10 lakh over previous quarter.
- Rs. 1640 Cr of **MUDRA** loans were sanctioned and Rs. 1446 Cr is disbursed upto 30.09.18
- **Stand up India** scheme 442 applications with a limit of Rs. 102 Cr were sanctioned till 30.09.18. Till now the bank has made 6474 sanctions with a limit of Rs. 1150 Cr.

Awards: The Bank has received the following Awards/ Recognitions in the current quarter.

- **Quest for Crown**– Our Bank has been awarded as the “Best Performing Public Sector Bank” for enrolments under **Atal Pension Yojana Scheme (APY)**
- The Bank has received “**Makers of Excellence**” & “**Rise above Rest**” awards under **APY**
- The Bank stood **1st among Public Sector Banks** in terms of **digital transactions** score card released by Ministry of Electronics and Information Technology (MeitY) for the Mid-year Sep 2018.

