



ఆంధ్రబ్యాంక్

(భారత ప్రభుత్వ సంస్థ)

आन्ध्रा बैंक

(भारत सरकार का उपक्रम)

Andhra Bank

(A Govt. of India Undertaking)

आन्ध्रा बैंक Andhra Bank

प्रधान कार्यालय HEAD OFFICE

'डॉ. पट्टाभि भवन'

"Dr. PATTABHI BHAVAN"

5-9-11, सैफाबाद

5-9-11, SAIFABAD

हैदराबाद - 500 004.

HYDERABAD - 500 094.

विभाग DEPT: Merchant Banking Division

Telefax 040-23230883; Tel.No.040-23252371

E-mail: mbd@andhrabank.co.in

Lr. No. 666/25/P.30/309

Dt: 14.11.2018

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 Presentation to Analysts/ Institutional Investors on the Unaudited Financial Results of the Bank for the Quarter ended September 30, 2018

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of the Presentation made to Analysts/ Institutional Investors at Analyst meet held on November 13, 2018 with regard to Unaudited Financial Results of the Bank for the Quarter ended September 30, 2018.

Yours faithfully,
For Andhra Bank

(Raghuram Mallala)
Company Secretary

Encl: as above





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भारतीय ब्यांक देशवासियों का बैंक Where India Banks

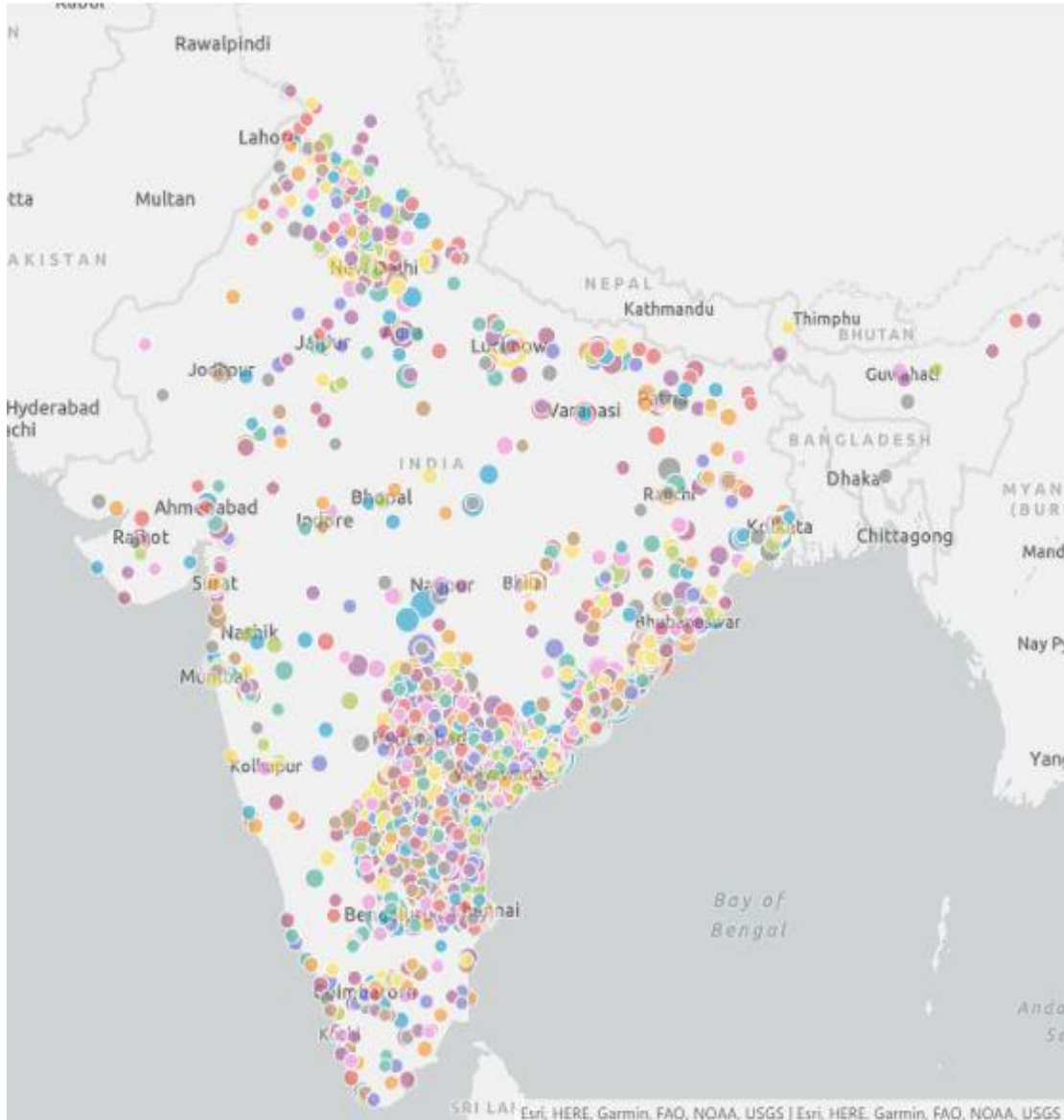
Presentation to Analysts – September 2018

Certain statements in these slides/ presentation may be forward looking statements.

These statements are based on Management's current expectations and are subject to uncertainty and changes in circumstances.

Actual outcomes may differ materially from those included in these statements due to variety of factors.

Delivery Channels Network



• Total Delivery Channels as on 30th Sep 2018

• Branches	2900
• Metro	720
• Urban	659
• Semi Urban	769
• Rural	752
• Extn Counters	4
• ATM/CRs	3811
• Satellite Offices	34
• Total	6749

Key Business Performance Highlights @H1 FY 2019 - YoY

1. Total Business increased by 9.16%
2. Total Advances increased by 12.97%
 - Retail Portfolio (Retail, Agriculture, MSME) increased by 15.30%
3. Total Deposits increased by 6.23%
 - CASA Deposits increased by 8.71% & CASA Ratio stood at 31.56%
4. Asset Quality:
 - GNPA Ratio reduced to 16.36% (17.09% - Mar-18) ,
 - NNPA reduced to 7.49% (8.48% - Mar-18),
 - PCR improved to 65.47% (60.90% - Mar-18)
5. CRWAs to Advances Ratio reduced from 92% (Sep-17) to 70% (Sep-18)
6. TRWAs to Total Assets Ratio reduced from 73% (Sep-17) to 58% (Sep-18)
7. CD Ratio improved to 81.68% (79.08%- Mar-18)
8. NIM improved to 3.20% (3.17% - Sep-17)
9. Non-Interest Income (Excl. Treasury) increased by 6.86%

Financials – Net Profit

Rs. in Crore

Sl.	Particulars	Quarter ended					Half Year Ended		
		FY Mar 18	Jun 18	Sept 17	Sept 18	Q ₂ oQ ₂ (%)	Sept 17	Sept 18	H ₁ oH ₁ (%)
1	Interest Income	17975	4527	4417	4755	7.65%	8819	9282	5.25%
2	Interest Expenses	11640	3067	2916	3027	3.81%	5877	6094	3.69%
3	Net Interest Inc.	6335	1460	1501	1728	15.12%	2942	3188	8.36%
4	Other Income	2372	565	588	494	-15.99%	1341	1059	-21.03%
5	Operating Exp.	3346	817	794	925	16.50%	1619	1742	7.60%
6	Operating Profit	5361	1208	1295	1297	0.15%	2664	2505	-5.97%
7	Provisions	10822	1708	1668	1561	-6.41%	2969	3269	10.10%
8	Taxes	-2048	40	12	170	-	40	210	-
9	Net Loss	-3413	-540	-385	-434	-	-345	-974	-
	Cost to Inc. Ratio	38.43%	40.35%	38.01%	41.62%	-	37.79%	41.01%	-
	Net Interest Margin	3.33%	2.94%	3.21%	3.44%	-	3.17%	3.20%	-

Financials – Total Income (1/2)

Rs. in Crore

Sl.	Particulars		Quarter ended				Half Year Ended		
		FY Mar 18	Jun 18	Sept 17	Sept 18	Q₂₀Q₂ (%)	Sept 17	Sept 18	H₁₀H₁ (%)
1	INTEREST INCOME	17975	4527	4417	4755	7.65%	8819	9282	5.25%
	Advances	13069	3295	3244	3566	9.93%	6487	6862	5.78%
	Investment	4489	1175	1077	1157	7.43%	2094	2332	11.37%
	Others	417	57	96	32	-66.67%	238	88	-63.03%
2	Non-Int. Income	1883	529	507	483	-4.73%	947	1012	6.86%
3	Profit on Sale of Investments	489	36	81	11	-86.42%	394	47	-88.07%
4	Other Income (2+3)	2372	565	588	494	-15.99%	1341	1059	-21.03%
5	Total Income	20347	5092	5005	5249	4.88%	10160	10341	1.78%



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Financials – Total Income (2/2)

Rs. in Crore

Sl.	Particulars		Quarter ended				Half Year Ended		
	Break up of Non-Interest Income	FY Mar 18	Jun 18	Sept 17	Sept 18	Q ₂ oQ ₂ (%)	Sept 17	Sept 18	H ₁ oH ₁ (%)
		1883	529	507	483	-4.73%	947	1012	6.86%
1	Comm./ Exc.	558	131	138	146	5.80%	278	277	-0.36%
2	Processing Fees	287	72	74	43	-41.89%	155	115	-25.81%
3	Rec. in w/o Acs	128	79	41	29	-29.27%	66	109	65.15%
4	PSLC Fee	94	38	30	63	110.00%	77	101	31.17%
5	Debit Card Fees	92	19	18	28	55.56%	39	47	20.51%
6	Appraising Fees	68	20	19	22	15.79%	39	42	7.69%
7	Others	656	170	187	152	-18.72%	293	321	9.56%



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Financials – Total Expenses (1/2)

Rs. in Crore

Sl.	Particulars		Quarter ended				Half Year Ended		
		FY Mar 18	Jun 18	Sept 17	Sept 18	Q₂oQ₂ (%)	Sept 17	Sept 18	H₁oH₁ (%)
1	Interest Expense	11640	3067	2916	3027	3.81%	5877	6094	3.69%
	Deposits	10785	2824	2686	2808	4.54%	5438	5632	3.57%
	Borrowings	199	36	42	123	192.86%	65	159	144.62%
	Others	656	207	188	96	-48.94%	374	303	-18.98%
2	Operating Expenses	3346	817	794	925	16.50%	1619	1742	7.60%
	Staff Exp.	1472	358	341	378	10.85%	685	735	7.30%
	Staff Prov.	386	82	100	182	82.00%	240	265	10.42%
3	Other Expenses	1488	377	353	365	3.40%	694	742	6.92%
4	Total Expenses	14986	3884	3710	3952	6.52%	7496	7836	4.54%

Financials – Total Expenses (2/2)

Rs. in Crore

Sl.	Particulars		Quarter ended				Half Year Ended		
	Break up of Other Expenses	FY Mar 18	Jun 18	Sept 17	Sept 18	Q ₂ oQ ₂ (%)	Sept 17	Sept 18	H ₁ oH ₁ (%)
		1488	377	353	365	3.40%	694	742	6.92%
1	Rent, Taxes	313	73	84	81	-3.57%	163	154	-5.52%
2	Insurance	199	55	49	55	12.24%	98	110	12.24%
3	ATM Tran. Fee	109	40	17	43	152.94%	31	83	167.74%
4	Repairs	127	34	34	32	-5.88%	69	65	-5.80%
5	Depreciation	195	50	36	12	-66.67%	72	62	-13.89%
6	Postage/ Phone	44	16	13	13	0.00%	23	30	30.43%
7	Security Exp	61	16	14	14	0.00%	31	30	-3.23%
8	Others	440	93	106	115	8.49%	207	208	0.48%



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Financials – Provisions & Net Results

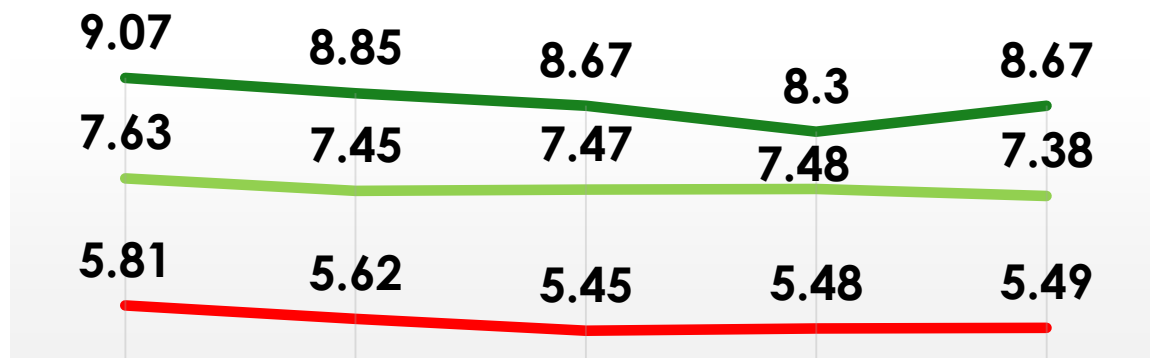
Rs. in Crore

Sl.	Particulars		Quarter ended			Half Year Ended	
		FY Mar 18	Jun 18	Sept 17	Sept 18	Sept 17	Sept 18
1	Operating Profit	5361	1208	1295	1297	2664	2505
2	Total Provisions	8774	1748	1680	1731	3009	3479
	NPA	10103	1388	1586	1155	2795	2543
	Standard Adv.	-559	-35	-27	2	-79	-33
	Investments	1044	337	89	266	235	603
	Others	234	18	20	138	18	156
	Tax	-2048	40	12	170	40	210
3	Net Profit	-3413	-540	-385	-434	-345	-974
4	Return on Assets	-1.46%	-0.86%	-0.67%	-0.68%	-0.3%	-0.77%
5	Return on Equity	-36.13%	-30.98%	-14.9%	-26.83%	-6.7%	-28.97%
6	EPS in Rs.	-38.94	-18.01	-19.26	-14.48	-9.31	-16.25
7	Book value in Rs.	60.25	56.04	119.61	51.95	119.61	51.95

Financials – Key Ratios

Sl.	Particulars	Year ended	Quarter ended			Half Year Ended	
		Mar 18	Jun 18	Sept 17	Sept 18	Sept 17	Sept 18
1	Cost of Deposits	5.57%	5.48%	5.62%	5.49%	5.71%	5.48%
2	Cost of Funds	4.99%	4.91%	5.11%	4.76%	5.18%	4.83%
3	Yield on Advances	8.84%	8.30%	8.85%	8.67%	8.96%	8.49%
4	Yield on Investments	7.50%	7.48%	7.45%	7.38%	7.51%	7.43%
5	Yield on Funds	7.71%	7.24%	7.74%	7.48%	7.78%	7.36%

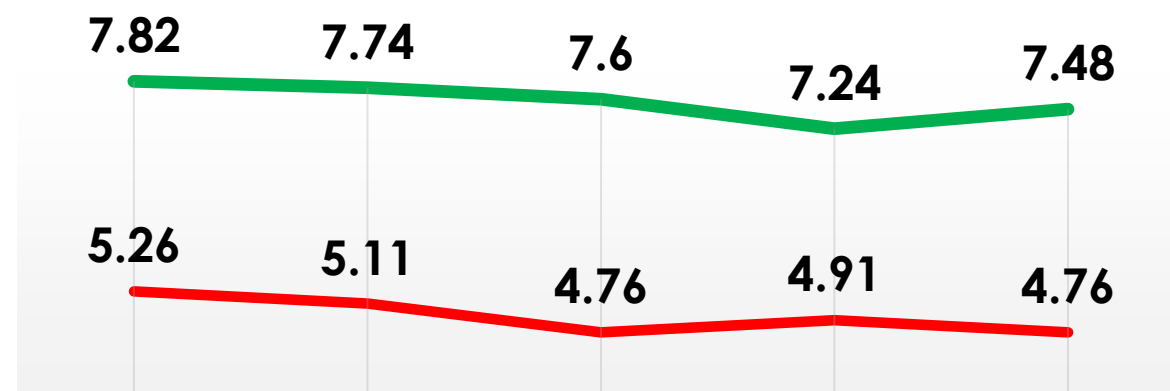
Cost of Deposits and Yield on Advances / Investments



"Jun-17" "Sep-17" "Mar-18" "Jun-18" "Sep-18"

— Cost of Deposits — Yield on Advances
— Yield on Investments

Cost of Funds and Yield on Funds

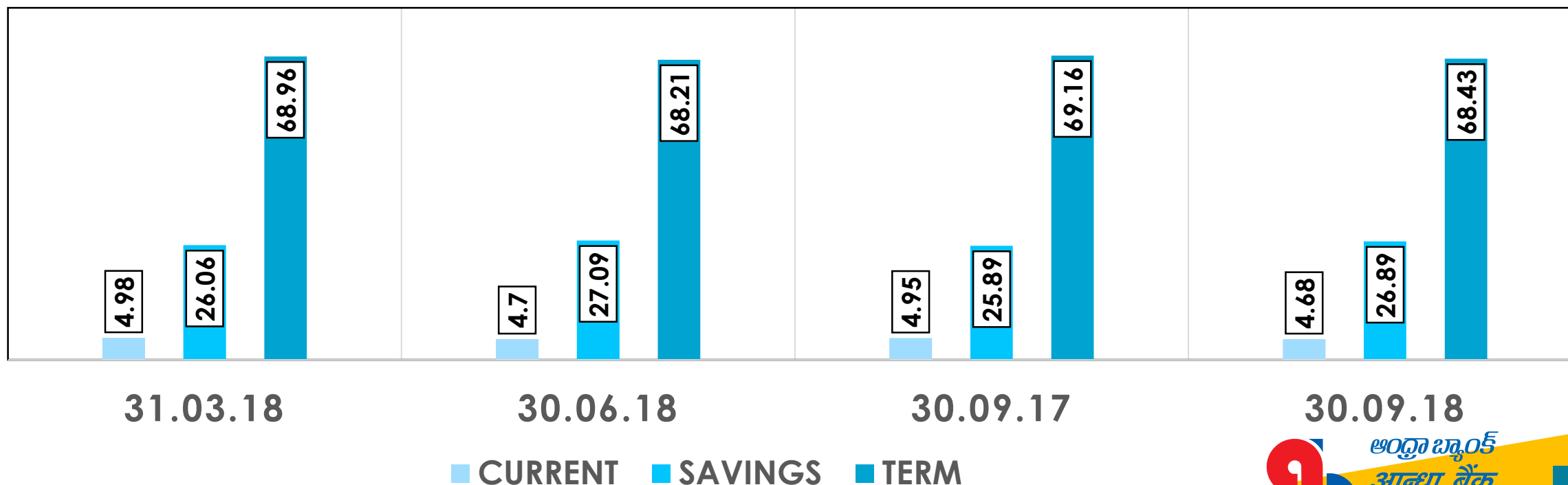


"Jun-17" "Sep-17" "Mar-18" "Jun-18" "Sep-18"

— Cost of Funds — Yield of Funds

Composition of Deposits

Type of Deposit	31.03.18	30.06.18	30.09.17	30.09.18	Variance (Y-o-Y) %
Current Deposits	10360	9538	9686	9676	-0.10%
Savings Deposits	54236	54985	50361	55585	10.37%
CASA	64596	64523	60047	65261	8.68%
Term Deposits	143474	138445	134531	141436	5.14%
T O T A L	208070	202968	194578	206697	6.23%



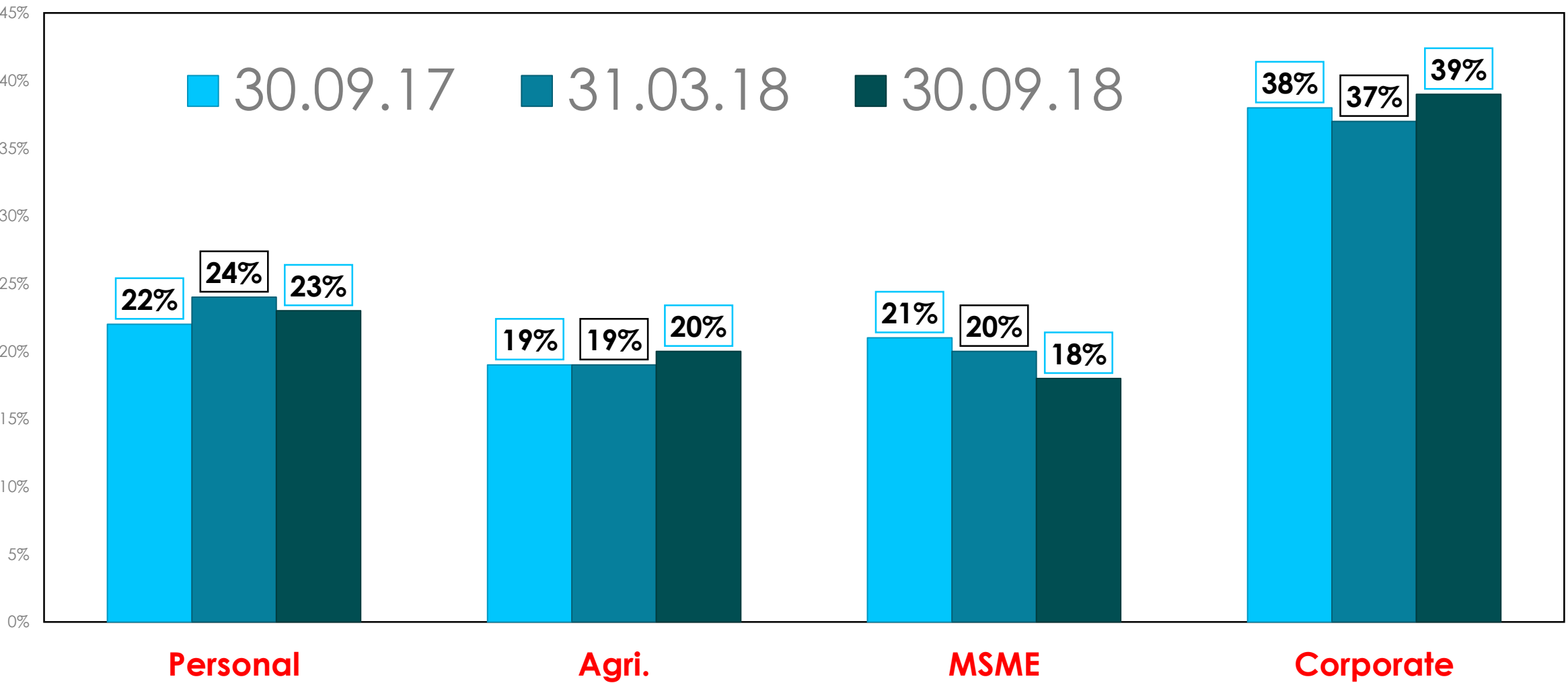
Composition of Advances

Rs. in Crore

SECTOR	31.03.18	30.06.18	30.09.17	30.09.18	Variance (Y-o-Y) %
Total Advances	164535	160506	149454	168838	12.97
Retail Portfolio	103520	101221	92037	103607	12.57%
Personal Loans	38979	37954	32526	39558	21.62%
Agriculture	30844	32422	28680	33381	16.39%
MSME\$	33697	30845	30831	30668	-0.53%
Corporate	61015	59285	57417	65231	13.61%
Adjusted MSME			<u>28317</u>	<u>30668</u>	<u>8.30%</u>

\$ During FY 2019, Rs. 2514 Cr of MSME advances were transferred to Corporate Advances to comply with RBI guidelines on Priority Sector Classification Norms, excluding which MSME witnessed a YoY Growth of 8.3% and consequently Corp. Credit growth would be 8.8%

Composition of Advances



Retail Loans - Personal Loan Segment

Rs. in Crore

Category	31.03. 18	30.06.18	30.09.17	30.09.18	Variance (Y-o-Y)%
Housing Loans	17941	18543	16008	19059	19.06%
Non Agri Gold Loans	2984	3102	2844	3246	14.14%
Property Term Loans	4912	5176	3773	5525	46.44%
Vehicle Loans	1730	1739	1561	1739	11.40%
Educational Loans	2504	2472	2544	2491	-2.09%
Clean/ Consumer Loans	1049	1036	1019	1024	0.49%
Loan Against Deposits	3368	1026	792	863	8.97%
Credit Card O/s	304	330	236	359	52.12%
Other Personal Loans	4187	4530	3749	5252	40.09%
Total	38979	37954	32526	39558	21.62%

Retail Loans – Agriculture

Rs. in Crore

Category	31.03. 18	30.06.18	30.09.17	30.09.18	Variance (Y-o-Y) %
AGRI GOLD LOANS	6272	6460	6183	7184	16.19%
AGRI TERM LOANS	3456	3384	2422	3308	36.58%
PATTABHI AGRI CASH CREDITS (KCC)	9445	9449	8734	10119	15.86%
SHG FARM SECTOR	6006	5957	5072	6305	24.31%
OTHERS *	5665	7172	6269	6465	3.13%
TOTAL	30844	32422	28680	33381	16.39%

* Including RIDF and Agri non priority sector

Retail Loans – MSME^{\$}

Rs. in Crore

Category	31.03. 18	30.06.18	30.09.17	30.09.18	Variance (Y-o-Y) %
MICRO	11138	10241	10962	10044	-8.37%
SMALL	11921	11879	10980	11919	8.55%
MEDIUM	10638	8725	8889	8705	-2.07%
TOTAL	33697	30845	30831	30668	-0.53%
Adjusted			<u>28317</u>	<u>30668</u>	<u>8.30%</u>

\$ During FY 2019, Rs. 2514 Cr of MSME advances were transferred to Corporate Advances to comply with RBI guidelines on Priority Sector Classification Norms, excluding which MSME witnessed a YoY Growth of 8.3%.

Industry Wise Credit Exposures

Rs. in Crore

Sl.	Industry	30.09.17	As % Adv.	31.03.18	As % Adv.	30.09.18	As % Adv.
1	Power	13207	8.8%	12695	7.7%	12109	7.54%
2	Housing Loans	15976	10.7%	17963	10.9%	19086	11.30%
3	NBFC	8301	5.6%	11107	6.8%	12868	7.60%
4	Iron & Steel	7173	4.8%	7196	4.4%	5640	3.30%
5	Textiles	5916	4.0%	5347	3.2%	5506	3.30%
6	Construction	5238	3.5%	5442	3.3%	6065	3.60%
7	Commercial Real Est.	2550	1.7%	2721	1.7%	2776	1.60%
8	Rice Mills	2801	1.9%	3102	1.9%	3711	2.20%
9	Engineering	2182	1.5%	2250	1.4%	2683	1.61%
10	Diamonds, Gems	1743	1.2%	1813	1.1%	1662	1.00%
	Agriculture	28680	19.2%	30844	18.7%	33381	19.80%
	Other Personal Loans	16550	11.1%	21016	12.8%	20472	12.10%
	Other Sectors	39138	26.2%	43039	26.2%	42879	25.40%
	Total Advances	149454	100.0%	164535	100.0%	168838	100.00%

NBFC Exposures

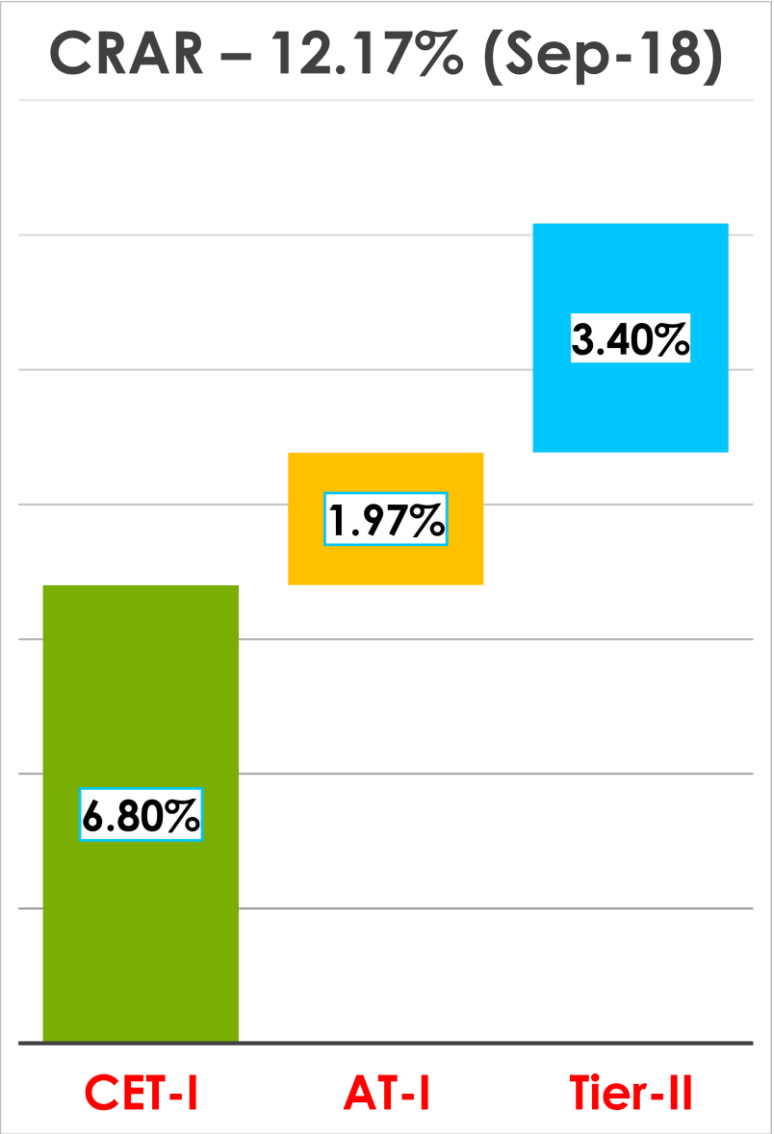
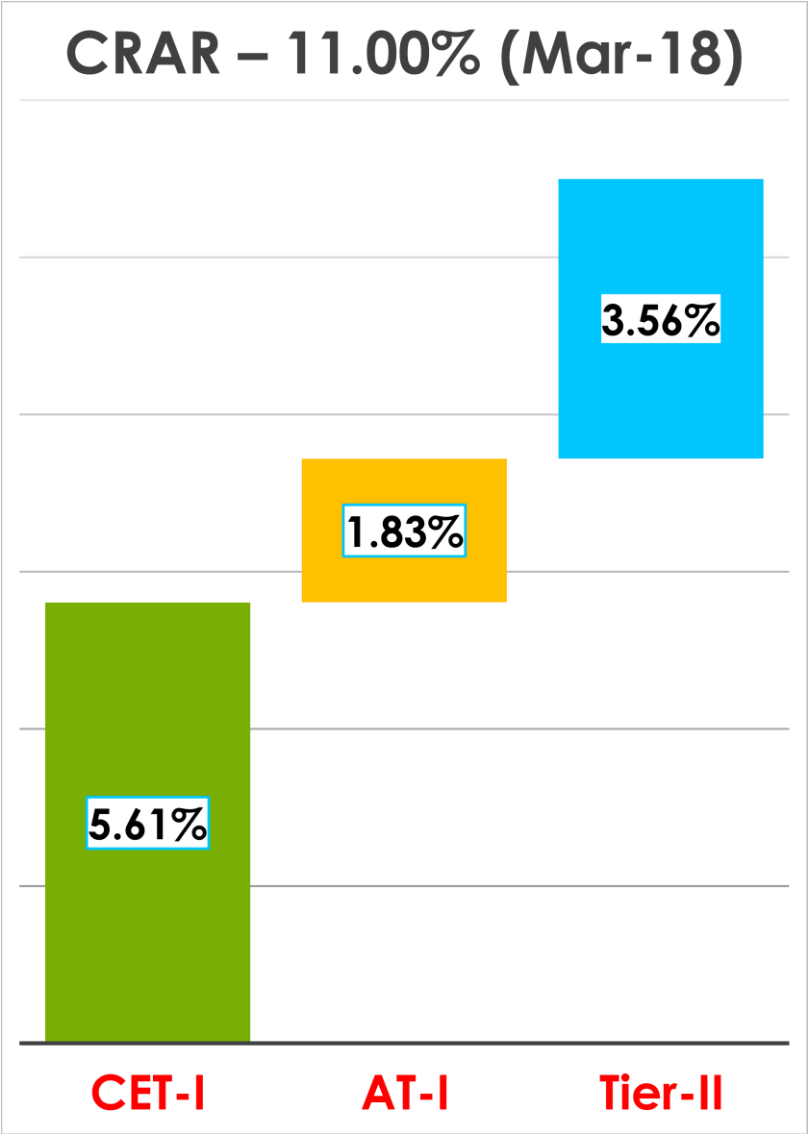
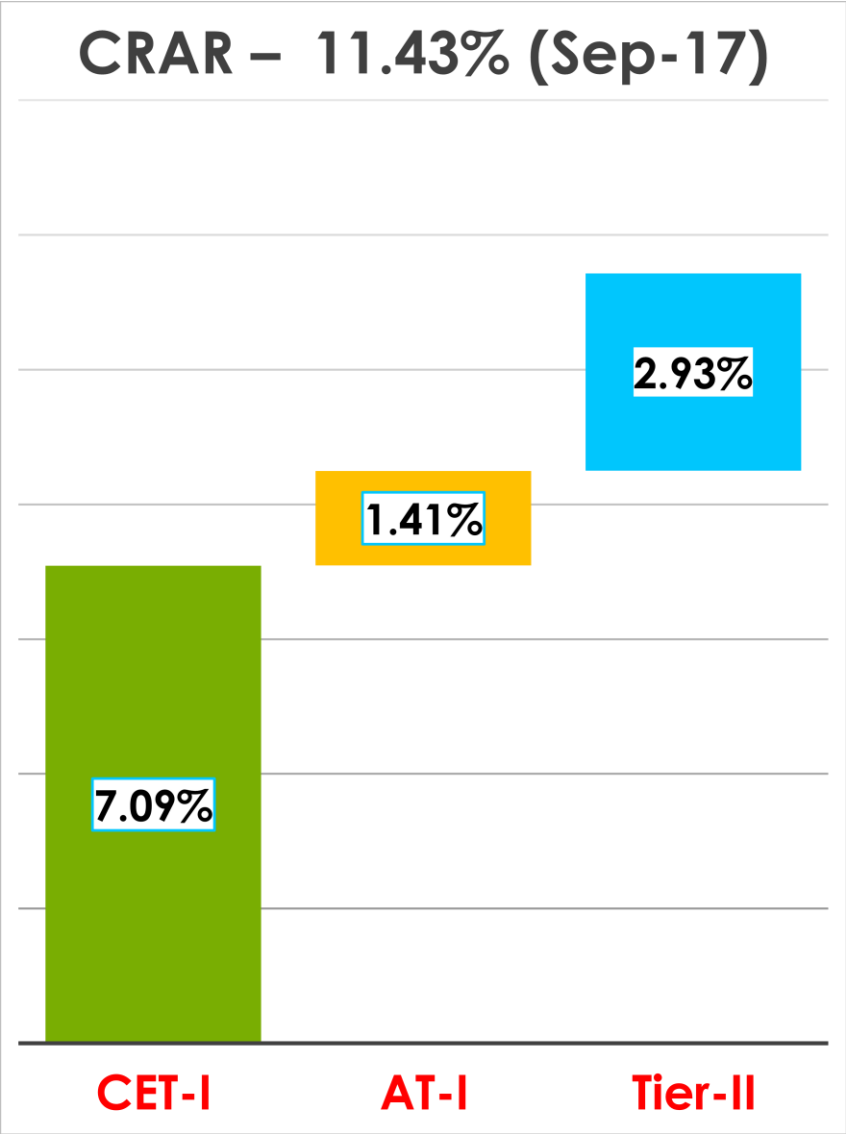
Rs. in Crore

	NBFC	Sep-17	Mar-18	Sep-18
1	Housing	0	0	2895
2	Non-Housing	8358	11107	9973
	Total	8358	11107	12868
3	Private Sector	6971	7979	11761
4	Public Sector	1387	3128	1107
	Total	8358	11107	12868



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Capital Adequacy Ratios



Investment Portfolio

Rs. in Crore

Particulars	31.03.2018	30.06.2018	30.09.2017	30.09.2018
Net Investments	64770	64949	64279	64821
HTM	42476	42108	38373	44168
AFS	22294	22841	24908	20652
HFT	0	0	998	1
Modified Duration (AFS)	5.02	3.18	4.31	3.38
Modified Duration Total Portfolio	*5.54	*5.03	5.37	*5.00
Yield on Investments	7.50	7.48	7.51	7.43

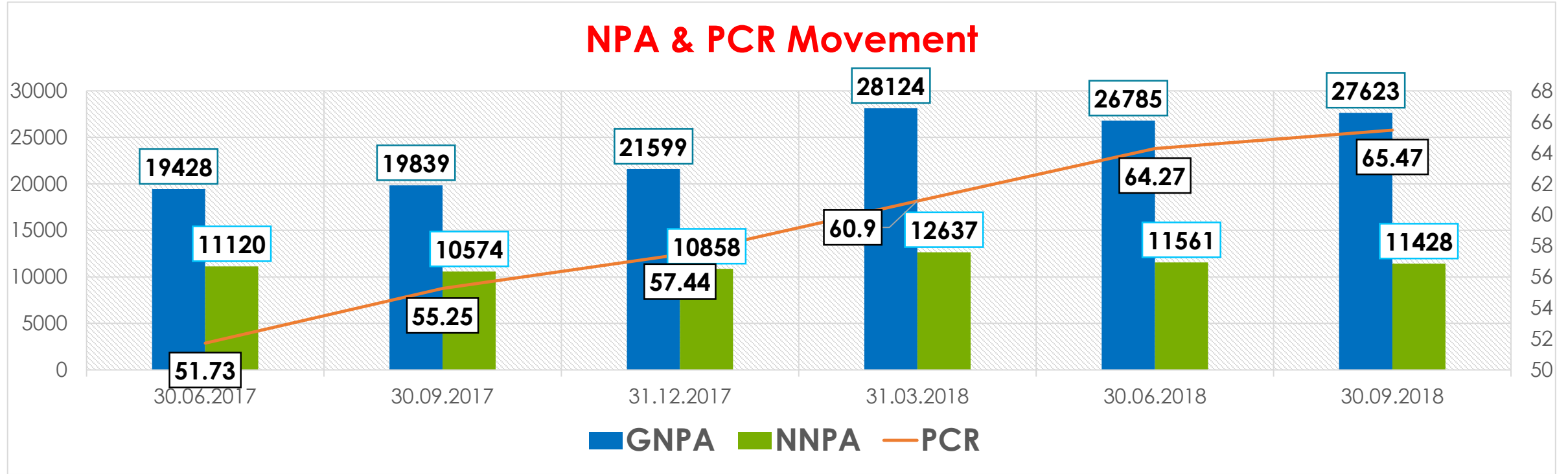
* Excluding Recapitalization Bonds issued by GOI

Types of Net Investments	March 2018	% of Total	Jun 2018	% of Total	Sept 2017	% of total	Sept 2018	% of Total
SLR	56237	86.83%	56406	86.85%	58307	90.71%	55119	85.03%
Non SLR	8533	13.17%	8543	13.15%	5972	9.29%	9702	14.97%
Total	64770	100.00%	64949	100.00%	64279	100.00%	64821	100.00%



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Asset Quality – GNPA/ NNPA and PCR Movement



Parameter	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18
GNPA	13.33%	13.27%	14.26%	17.09%	16.69%	16.36%
NNPA	8.09%	7.55%	7.72%	8.48%	7.96%	7.49%
PCR	51.73%	55.25%	57.44%	60.90%	64.27%	65.47%

Asset Quality – Segment-wise NPA movement

Rs. in Crore

SEGMENT	As on 30.09.2017			As on 31.03.2018			As on 30.09.2018		
	Adv.	NPA	NPA % to Sector Adv.	Adv.	NPA	NPA % to Sector Adv.	Adv.	NPA	NPA % to Sector Adv.
AGRICULTURE	28680	1289	4.49%	30844	1269	4.11%	33381	1679	5.03%
MSME	30831	3141	10.18%	33697	4365	12.95%	30668	4917	16.03%
RETAIL CREDIT	32526	567	1.74%	38979	691	1.77%	39558	935	2.36%
LARGE & MID CORPORATE	57417	14841	25.84%	61015	21799	35.73%	65231	20092	30.80%
TOTAL	149454	19838	13.27%	164535	28124	17.09%	168838	27623	16.36%

Asset Quality –NPA movement & Status of NCLT

Rs. in Crore

PARAMETER	Year ended	Quarter ended		
	Mar 2018	Jun 2018	Sept 2017	Sept 2018
NPAs Opening Balance	17670	28124	19428	26785
Less: Reduction during the period	3410	2939	1245	782
-Up gradation/Recovery	1744	1278	1039	605
-Tech. Write off/ Write off in OTS	1666	1661	206	177
Add: Additions during the period	13864	1600	1656	1620
- Fresh Slippages	13664	1486	1613	1587
- Addition in Existing NPAs	200	114	43	33
NPAs Closing Balance	28124	26785	19839	27623

NCLT	Accounts	Outstanding Dues	Provisions Held	PCR on NCLT
1 st List	6	3170	2536	80%
2 nd List	13	2674	1994	75%
Others	107	10055	6942	69%
Total	126	15899	11472	72%

Asset Quality - Restructured Assets (Industry Wise)

Rs. in Crore

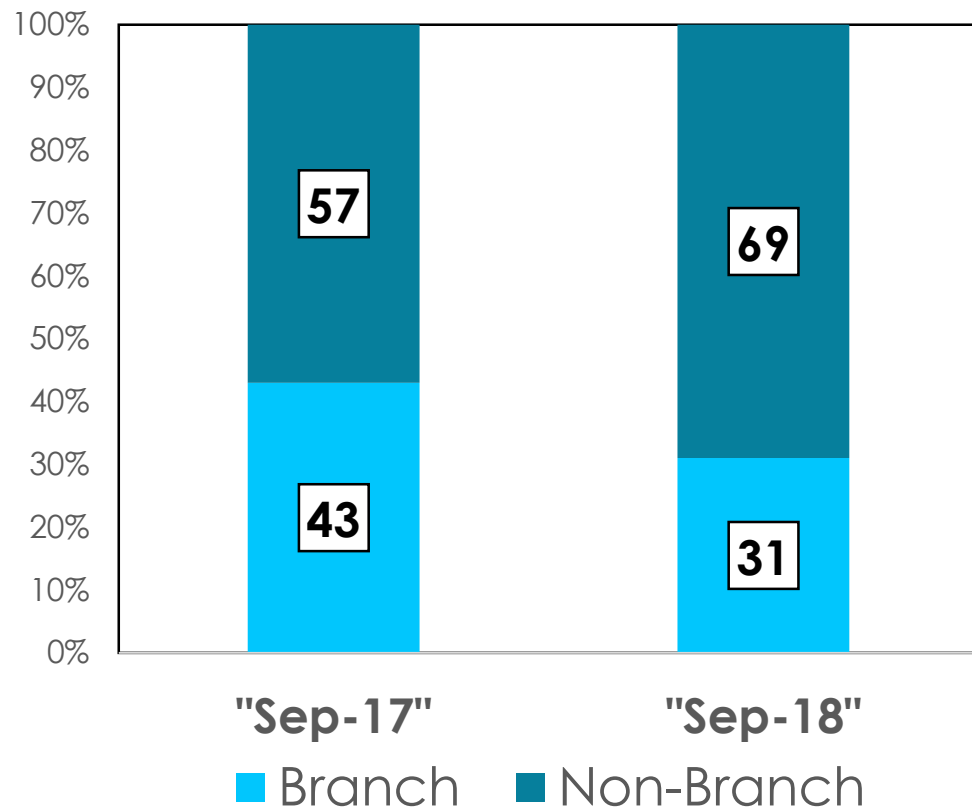
Sector	31.03.2018	30.06.2018	30.09.2017	30.09.2018
A) Infrastructure	1115	1037	5095	1028
Power	621	613	3960	461
Roadways	387	284	1033	471
Others	107	140	102	96
B). Sugar	233	225	206	235
C). Others	347	238	1025	111
Total	1695	1500	6326	1374



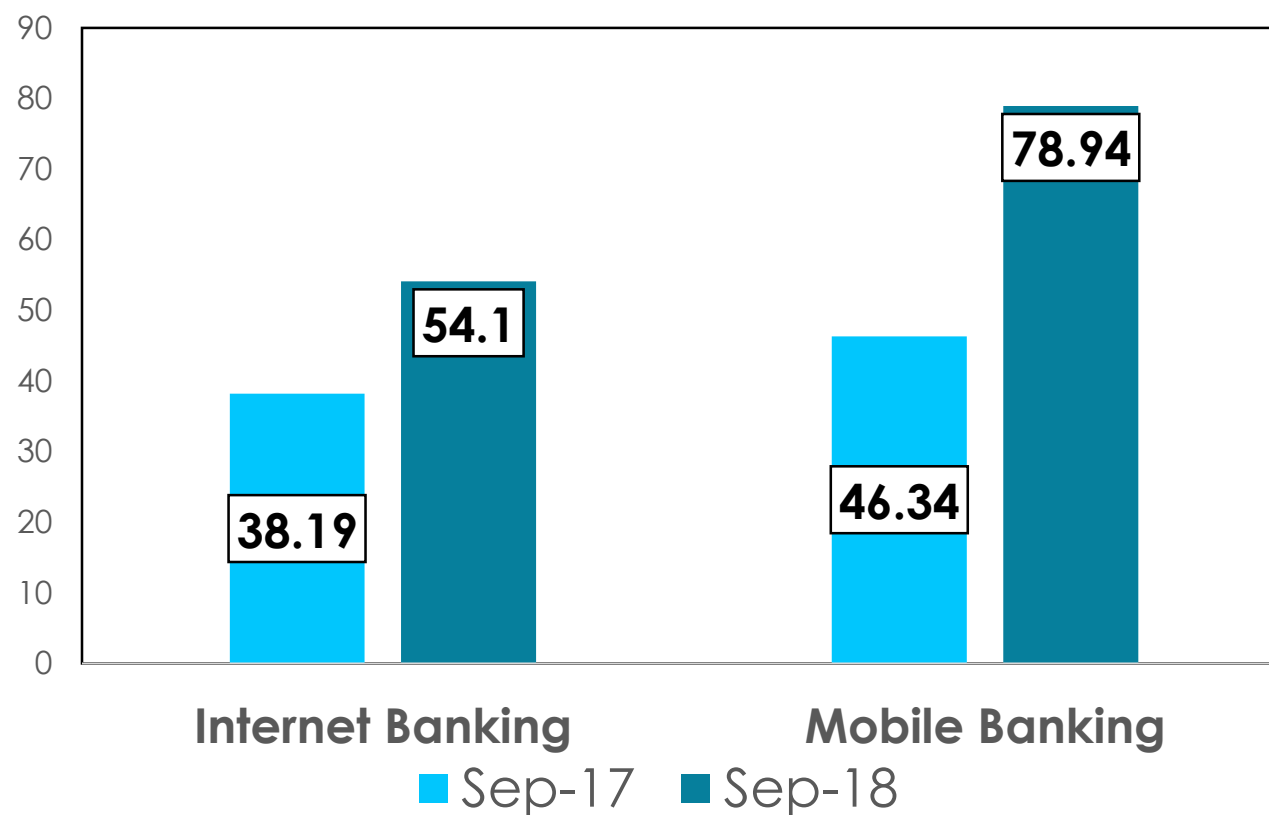
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Andhra Bank
एम्पलुईड्स एंड सैविंग्स बैंक - Where India Banks

Digital Banking – Non-Branch Transaction Profile

% of Branch and Non Branch Transactions



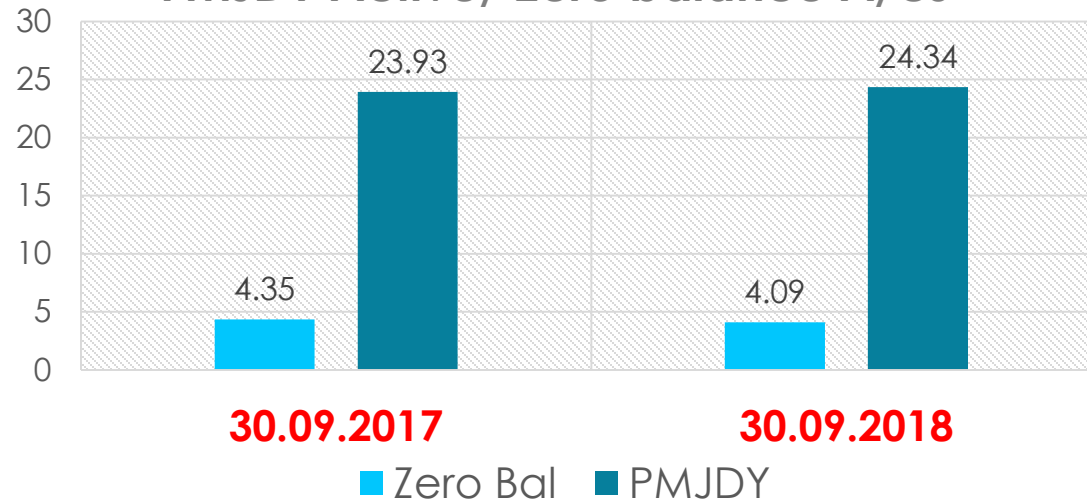
No of Transactions in Alternate Channels in Lakhs



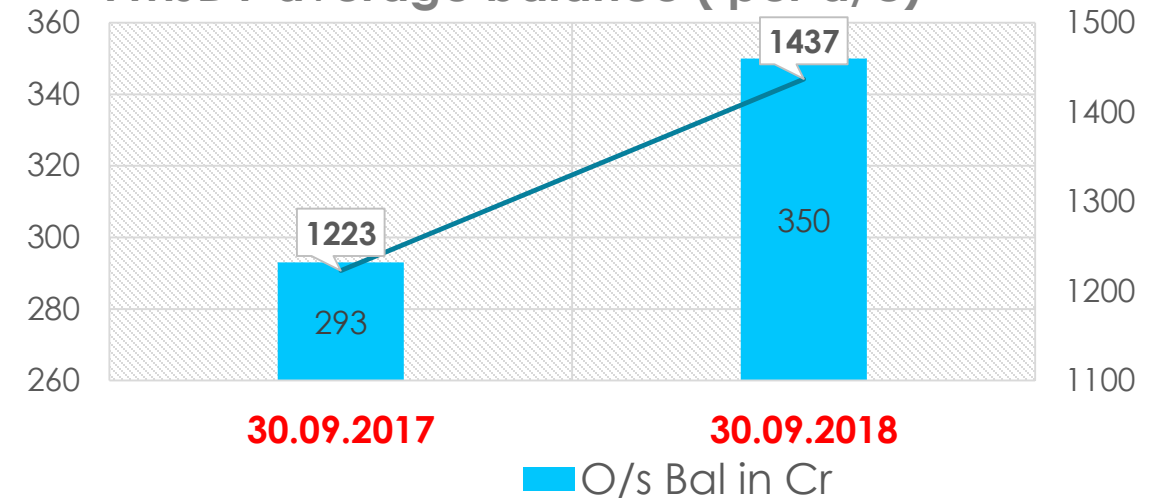
Share of Non-Branch transactions have increased from 57% to 69%

Financial Inclusion Initiatives

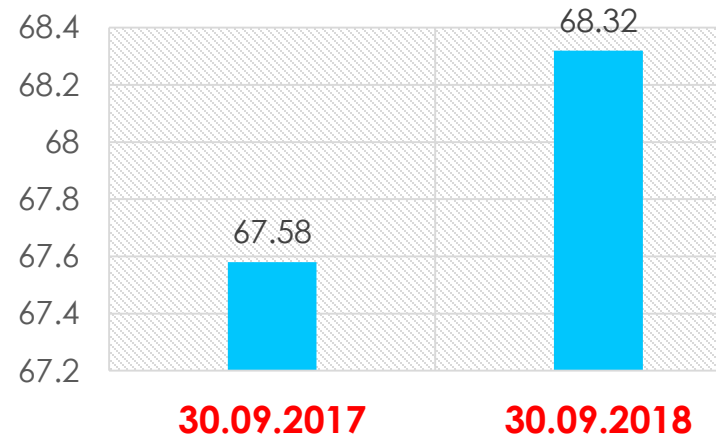
PMJDY Active/ Zero balance A/cs



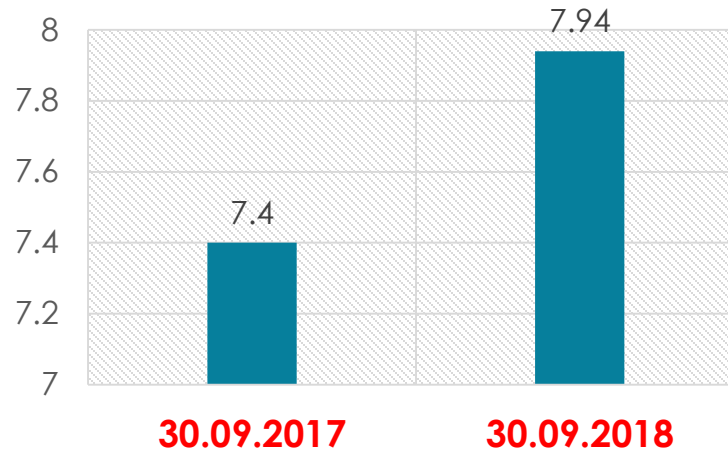
PMJDY average balance (per a/c)



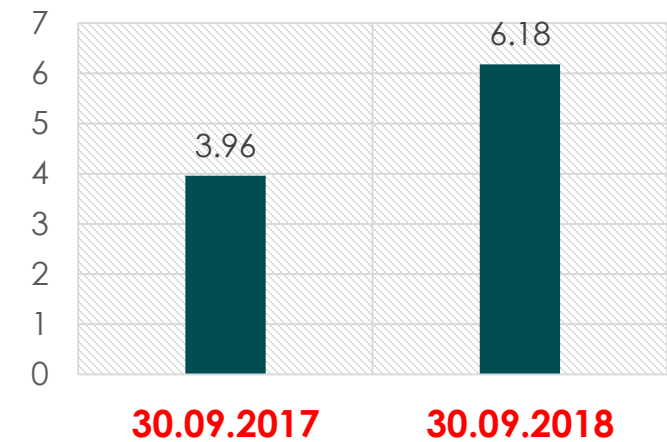
PMSBY – in Lakh



PMJJBY – in Lakh



APY in Lakh



Balance Sheet Position as on 30.09.2018

Rs. in Crore

CAPITAL & LIABILITIES	30.09.17	31.03.18	30.09.18	ASSETS	30.09.17	31.03.18	30.09.18
Capital	873	1199	1199	Cash & Balances with others	9225	9911	9857
Reserves & Surplus	11248	9619	8546	Balances with Banks & Call Money	746	6033	1889
Share Application Money Pending Allotment	-	-	2019	Investments	64279	64770	64821
Deposits	194578	208070	206697	Advances (net)	140125	149064	152650
Borrowings	11206	18269	18253	Fixed Assets	1508	1473	1449
Other Liabilities & Provisions	5082	5014	4515	Other Assets	7104	10920	10563
TOTAL	222987	242171	241229	TOTAL	222987	242171	241229



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Andhra Bank

భారతీయుల బ్యాంక్ देशवासियों का बैंक Where India Banks

THANK YOU