ఆంధ్రాబ్యాంక్
(భారత ప్రభుత్వ సంస్థ)
आन्ध्रा बैंक
(भारत सरकार का उपक्रम)
Andhra Bank
(A Govt. of India Undertaking)

आन्ध्रा बैंक
प्रधान कार्यालय
"डॉ. पट्टाभि भवन"
5-9-11, सैफाबाद
हैदराबाद - 500 004

Andhra Bank
Head Office
"Dr. Pattabhi Bhavan"
5-9-11, Saifabad,
Hyderabad - 500 004

विभाग DEPT: Board Secretariat
Merchant Banking Division
Telefax 040-23230883;Tel.No.040-23252371/2388
E-mail: mbd@andhrabank.co.in

Lr. No. 666/25/P.176/288

Dt: 16.11.2016

The National Stock Exchange
Of India Limited
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai – 400 051.
Fax: 022-26598237/38

SYMBOL: ANDHRABANK

Dear Sirs,

Sub: Submission of Financial Highlights of the Bank for the Quarter ended September 30, 2016

Please find enclosed a copy of Financial Highlights of the bank for the quarter ended September, 2016

Yours Faithfully,

(Y. Amarnath)
Company Secretary

ANDHRA BANK M.B. Division H.O. Hyd

Andhra Bank

Performance / Financial Highlights

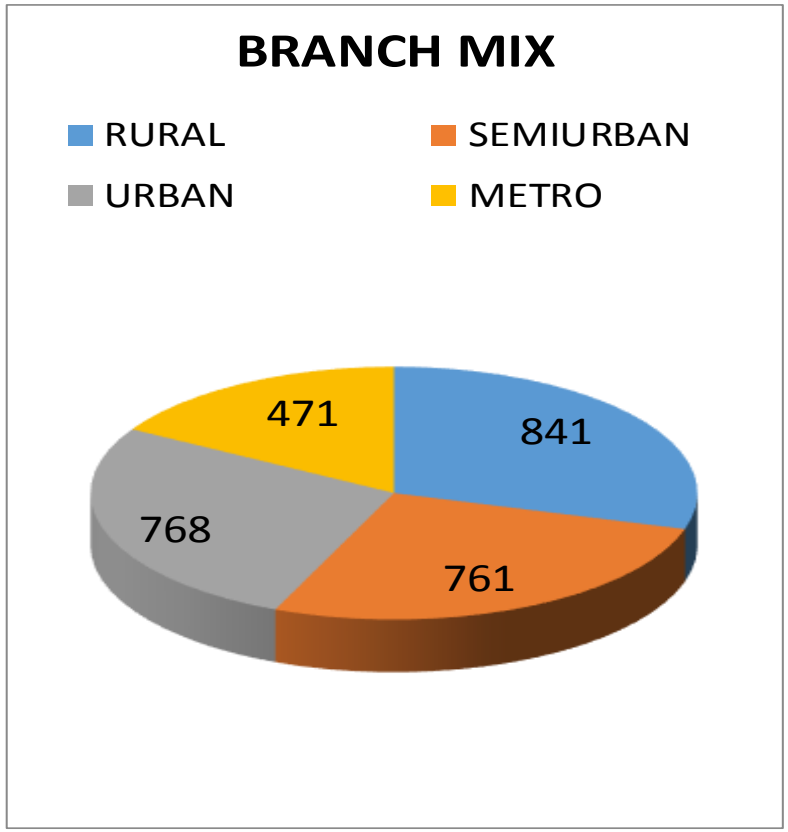
September 2016

HIGHLIGHTS

- **Business** grew by **7.5%** - from **Rs. 296893 Cr** to **Rs. 319163 Cr.**
- **Total Deposits grew by 7.0% - from Rs.165985 Cr to Rs. 177628 Cr.**
- **Advances** grew by **8.1%** - from **Rs. 130908 Cr.** to **Rs. 141535 Cr.**
- **Retail Advances** grew by **21.6%** - from **Rs. 20898 Cr.** to **Rs. 25414 Cr.**

Andhra Bank

BRANCH NETWORK AND BUSINESS DELIVERY CHANNELS

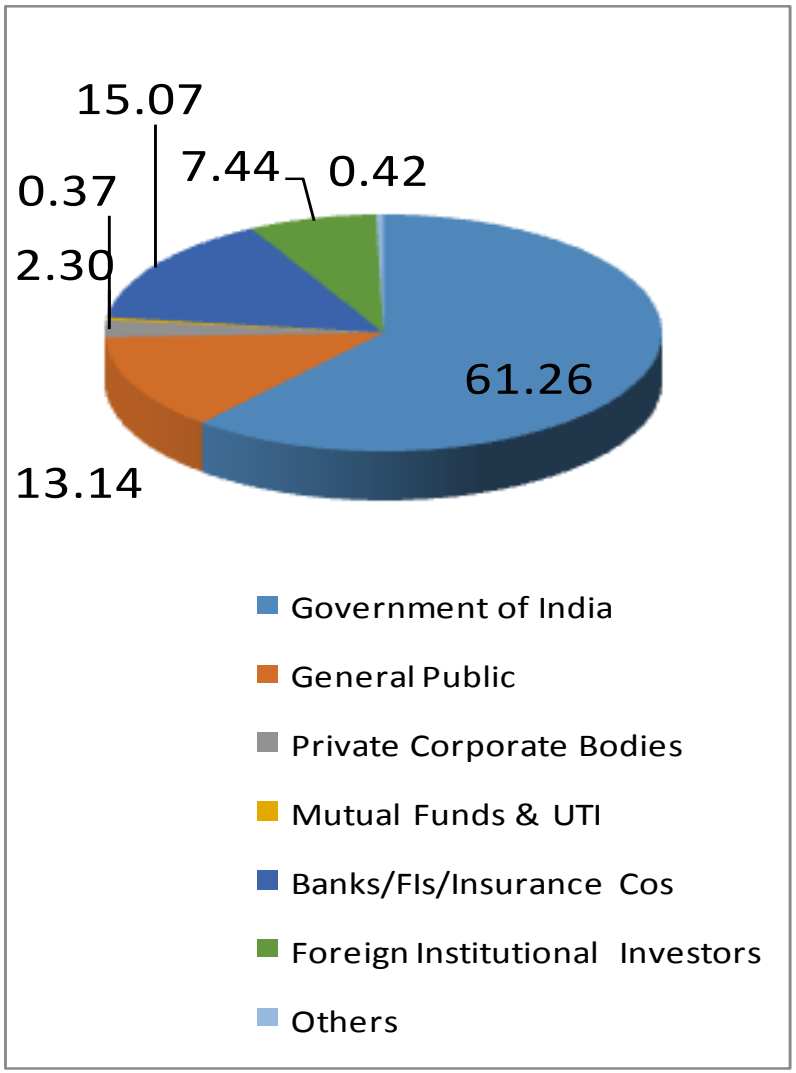


Business Delivery Channels	31.03.16	30.09.15	30.09.16
Branches	2803	2634	2841
Extension Counters	4	4	4
ATMs	3636	2287	3778
Satellite Offices	34	34	34
TOTAL	6477	4959	6657

Branch Mix	31.03.16	30.09.15	30.09.16
1.Rural	827	767	841
2.Semi-Urban	757	719	761
3.Urban	756	722	768
4.Metro	463	426	471
TOTAL	2803	2634	2841

Bank has Representative Offices in Dubai & New Jersey

SHARE HOLDING PATTERN – SEPT 2016

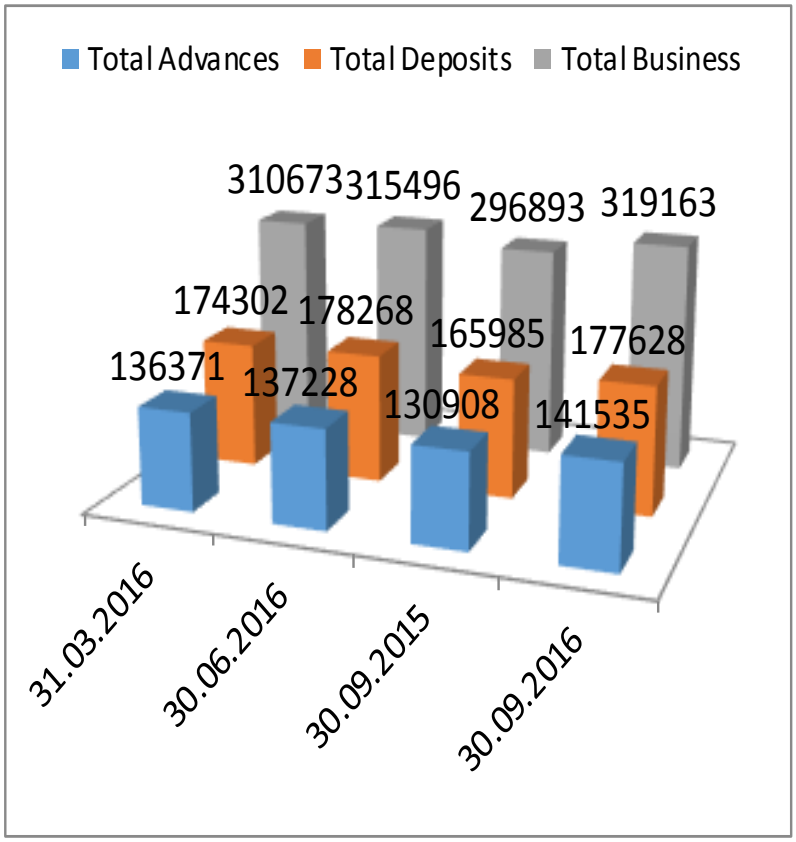


	30.09.2016
Share Capital	681.16 Crs
No. of Shares	68.12 Crs

	30.09.2016	%
Government of India	417.31	61.26%
General Public	89.48	13.14%
Private Corporate Bodies	15.67	2.30%
Mutual Funds & UTI	2.50	0.37%
Banks/FIs/Insurance Cos	102.63	15.07%
Foreign Institutional Investors	50.71	7.44%
Others	2.86	0.42%
Total	681.16	100.00%

Andhra Bank

BUSINESS PERFORMANCE HIGHLIGHTS

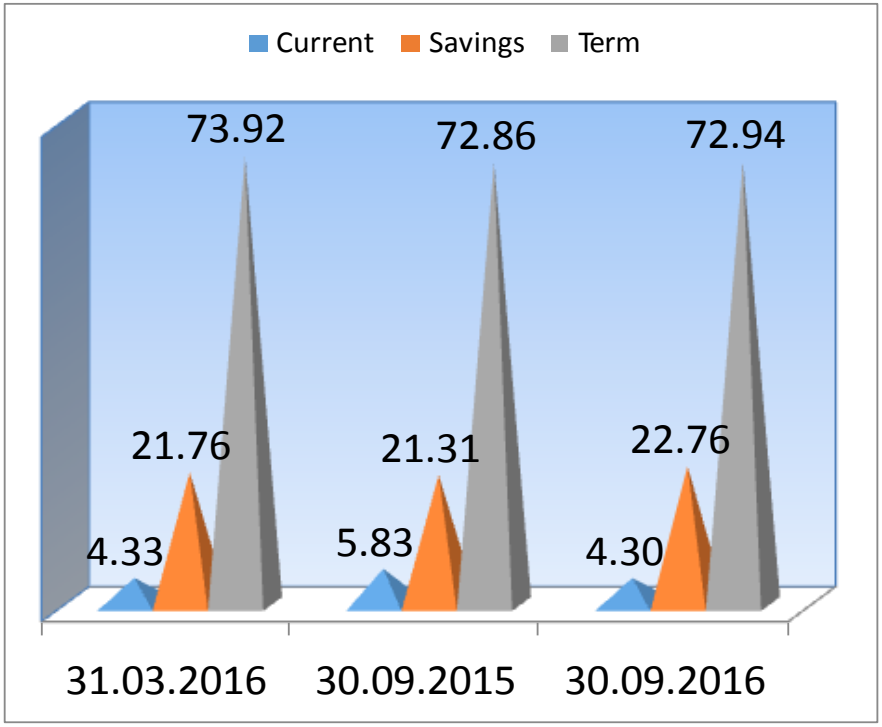


(Amount in Rs crores)

Details	QUARTER ENDED				
	31.03.16	30.06.16	30.09.15	30.09.16	Variance (Y-o-Y) %
Total Deposits	174302	178268	165985	177628	7.01%
Total Advances	136371	137228	130908	141535	8.12%
Total Business	310673	315496	296893	319163	7.50%
Investments (Net)	53864	53340	46111	53164	15.30%
Net Profit	52	31	251	51	-79.68%
CD Ratio	78.24%	77.00%	78.87%	79.68%	1.03%

DEPOSITS - COMPOSITION

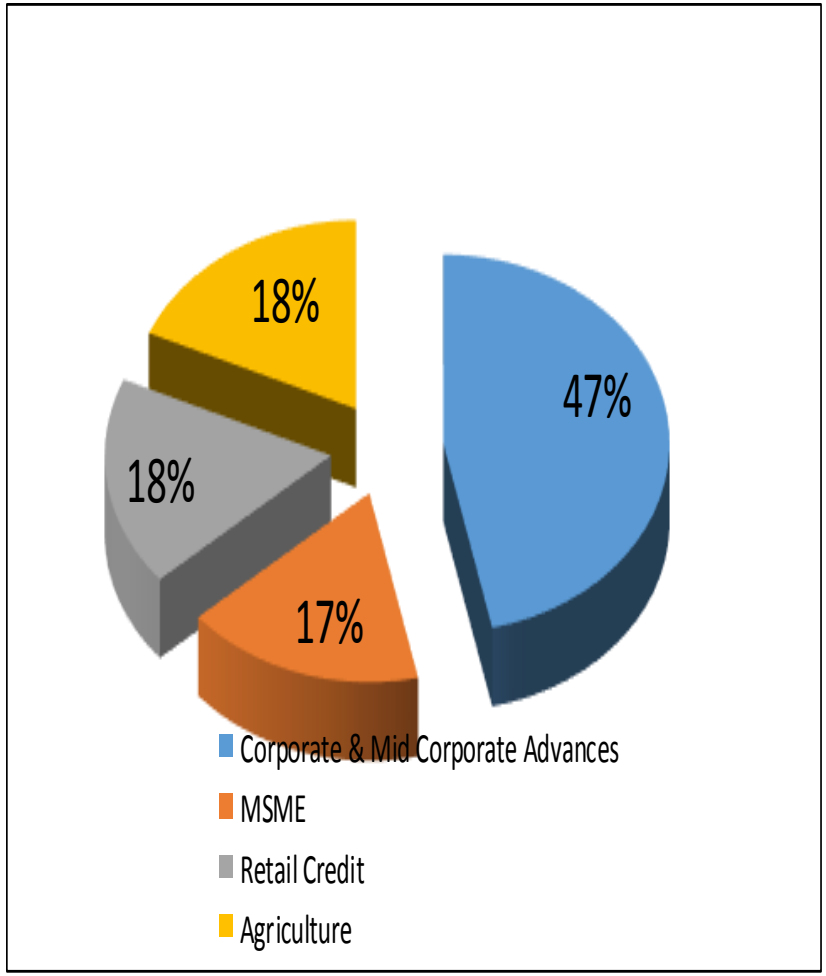
(Amount in Rs crores)



Type of Deposit	QUARTER ENDED			
	31.03.16	30.09.15	30.09.16	Variance (Y-o-Y) %
Current Deposits	7541	9674	7648	-20.94%
% Share	4.33	5.83	4.30	
Savings Deposits	37924	35368	40423	14.29%
% Share	21.76	21.31	22.76	
CASA	45465	45042	48071	6.72%
% Share	26.08	27.14	27.06	
Term Deposits	128837	120943	129557	7.12%
% Share	73.92	72.86	72.94	
T O T A L	174302	165985	177628	7.01%

ADVANCES

(Amount in Rs crores)



SECTOR	31.03.16	30.09.15	30.09.16	Variance (Y-o-Y) %
Corporate & Mid Corporate Advances	63986	63896	65875	3.1%
MSME	23278	22553	24181	7.2%
Retail Credit	24428	20898	25414	21.6%
Agriculture	24679	23561	26065	10.6%
Gross Bank Credit	136371	130908	141535	8.1%

NET PROFIT

(Amount in Rs crores)

Sl. No.	Particulars	Year ended	Quarter ended				
		Mar 16	Mar 16	Jun 16	Sept 15	Sept 16	Variance (Y-o-Y)%
1	Interest Income	17635	4652	4372	4346	4473	2.92%
2	Interest Expenses	12314	3151	3103	3044	3113	2.27%
3	NII (Spread) (1-2)	5321	1501	1269	1302	1360	4.45%
4	Other Income	1564	473	484	398	569	42.96%
5	Operating Expenses	2925	800	753	769	886	15.21%
6	Operating Profit	3960	1173	1000	931	1043	12.03%
7	Provisions	2956	1022	944	525	957	82.28%
8	Taxes	464	99	25	155	35	-77.42%
9	Net Profit (6-7-8)	540	52	31	251	51	-79.68%

INTEREST INCOME

(Amount in Rs crores)

Interest on	Year ended	Quarter ended			
	Mar 2016	Jun 2016	Sept 2015	Sept 2016	Variance (Y-o-Y)%
Advances	13468	3336	3388	3422	1.00%
Investment	3876	990	919	1025	11.53%
Others	291	46	39	26	-33.33%
TOTAL INTEREST INCOME	17635	4372	4346	4473	2.92%

INTEREST EXPENSES

(Amount in Rs crores)

Interest on	Year ended	Quarter ended			
	Mar 16	Jun 16	Sept 15	Sept 16	Variance (Y-o-Y)%
Deposits	11405	2945	2834	2914	2.82%
Sub-ordinate Debt/Other Innovative capital instruments	409	140	95	177	86.32%
Borrowings	500	18	115	22	-80.87%
TOTAL INTEREST EXPENSE	12314	3103	3044	3113	2.27%

PROFIT & LOSS ACCOUNT – SPREAD MANAGEMENT

(Amount in Rs crore)

Particulars	Year ended	Quarter ended			
	Mar 2016	Jun 2016	Sept 2015	Sept 2016	Variance (Y-o-Y)%
Interest Income	17635	4372	4346	4473	2.92%
Interest Expenses	12314	3103	3044	3113	2.27%
Interest Spread (NII)	5321	1269	1302	1360	4.45%
NIM(On Earning Assets)	3.18	2.90	3.20	3.11	--

Andhra Bank

PROFIT & LOSS ACCOUNT – NON-INTEREST INCOME

(Amount in Rs crore)

Particulars	Year ended	Quarter ended		
	Mar 2016	Jun 2016	Sept 2015	Sept 2016
A) Non-interest Income from Core Operations				
1) Processing Fee	289.03	83.01	64.75	52.26
2) Other Income	305.51	75.03	72.76	115.80
3) Rent on Lockers	59.85	3.64	3.42	2.93
4) Recovery in Written off Accounts	116.51	11.36	28.69	35.01
5) Commission & Exchange	429.29	119.34	106.08	117.38
Sub Total – (A)	1200.19	292.38	275.70	323.38
B) Non Interest Income from Treasury				
1) Profit on Sale of Investments	230.55	151.97	48.36	213.32
2) Dividend Income	6.39	0.67	3.99	0.74
3) Forex Profit	127.34	38.51	70.26	32.44
Sub Total – (B)	364.28	191.15	122.61	246.50
C) Total Non Interest Income (A+B)	1564.47	483.53	398.31	569.88

PROFIT & LOSS ACCOUNT - NON-INTEREST EXPENDITURE

(Amount in Rs crore)

Particulars	Year ended	Quarter ended			
	Mar 2016	Jun 2016	Sept 2015	Sept 2016	Variance (Y-o-Y)%
Establishment Expenses	1735	438	483	558	15.53%
Other Operating Expenses	1190	315	286	328	14.69%
T O T A L:	2925	753	769	886	15.21%

PROVISIONS & CONTINGENCIES

(Amount in Rs crore)

Particulars	Year ended	Quarter ended			
	Mar 2016	Jun 2016	Sept 2015	Sept 2016	Variance (Y-o-Y) %
Income Tax	464	25	155	35	-77.42%
Dep./Loss on revaluation of Investments	68	14	-112	28	--
Depreciation on Transfer to/from HTM	4	18	0	0	--
Provision for NPAs	3100	942	624	917	46.96%
Provision against Standard Assets	67	-13	10	10	--
Provision on Restructured Assets	-319	-8	5	0	--
Others	36	-9	-2	2	--
Total	3420	969	680	992	45.88%

KEY RATIOS – COST & YIELD

Ratios	Year ended	Quarter ended		
	Mar 2016	Jun 2016	Sept 2015	Sept 2016
Cost of Deposits %	7.18	6.75	7.27	6.55
Cost of Funds %	6.46	6.02	6.53	5.95
Yield on Advances %	10.71	9.95	10.96	9.91
Yield on Investments %	8.05	7.91	8.03	7.84
Yield on Funds %	9.25	8.48	9.32	8.55

PROFITABILITY RATIOS

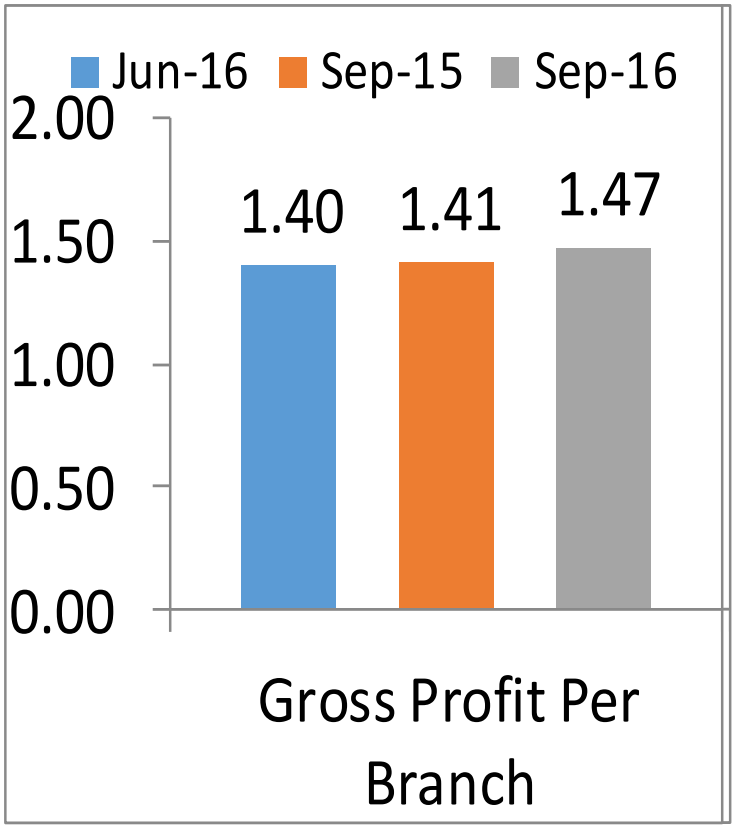
Ratios	Year ended	Quarter ended		
	Mar 2016	Jun 2016	Sept 2015	Sept 2016
Return on Assets(ROA)%	0.28	0.06	0.54	0.10
Return on Avg. Net worth %	5.40	1.21	10.26	1.99
Earning per Share (Amt in Rs) Annualised	8.60	1.83	16.66	3.02
Book value per share (Amt in Rs)	150.68	151.44	155.08	152.48
Net Worth to GBC %	7.53	7.52	7.73	7.34

OPERATING RATIOS

Ratios	Year ended	Quarter ended		
	Mar 2016	Jun 2016	Sept 2015	Sept 2016
Cost to Income Ratio (%)	42.49	42.95	45.24	45.93
Staff Cost as % of Average Working Funds	0.91	0.85	1.04	1.07
Other Operating Expenses as % of Average Working Funds	0.62	0.61	0.61	0.63
Operating Profit to AWF (%)	2.08	1.94	2.00	2.00
Staff Cost to Total Expenditure (%)	11.38	11.37	12.67	13.95

PRODUCTIVITY RATIOS

(Amount in Rs crore)



Ratios	Quarter ended		
	Jun 2016	Sept 2015	Sept 2016
Business Per Employee	15.94	14.55	15.15
Net Profit Per Employee	0.01	0.05	0.01
Business Per Branch	111.84	112.72	112.34
Gross Profit Per Branch	1.40	1.41	1.47

CAPITAL ADEQUACY RATIOS (Basel III)

(Amount in Rs crore)

Ratio	31.03.2016		30.09.2015		30.09.2016	
Total Risk Weighted Assets	135883.95		130067.50		144627.89	
Common Equity Tier I Ratio	10553.37	7.77%	10028.80	7.71%	10585.98	7.32%
Additional Tier I Ratio	1411.94	1.04%	613.35	0.47%	2312.01	1.60%
Tier II Ratio	3767.44	2.77%	3697.61	2.84%	4630.27	3.20%
Total Capital Ratio (CRAR)	15732.75	11.58%	14339.76	11.02%	17528.26	12.12%

INVESTMENTS (NET)

(Amount in Rs crore)

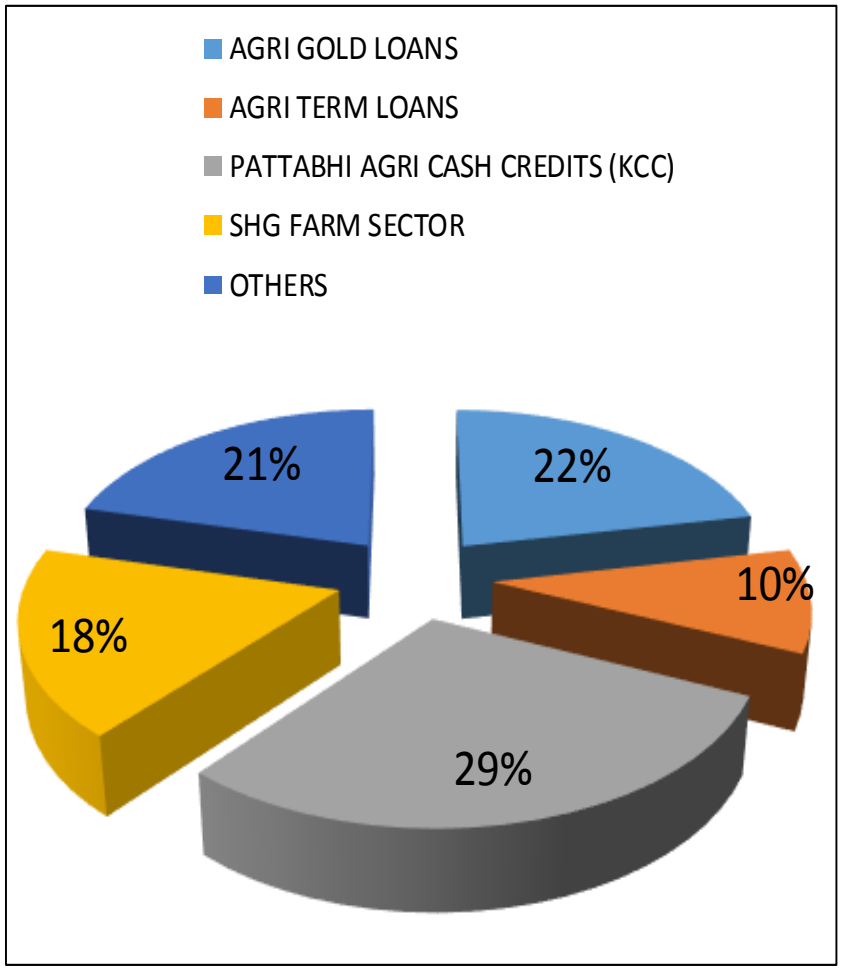
Particulars	31.03.2016	30.06.2016	30.09.2015	30.09.2016
Net Investments	53864	53340	46111	53164
HTM	39127	36667	34461	38229
AFS	14737	16667	11650	14849
HFT	0	6	0	86
Duration (AFS)	3.77	2.15	3.49	3.01
Modified Duration (AFS)	3.61	2.06	3.35	2.89
Duration Total Portfolio	4.91	4.55	4.60	5.07
Modified Duration Total Portfolio	4.72	4.38	4.42	4.89
Yield on Investments	8.05	7.91	8.03	7.84

INVESTMENTS - CLASSIFICATION

(Amount in Rs crore)

Types of Net Investments	March 2016	% of Total	June 2016	% of Total	Sept 2015	% of Total	Sept 2016	% of Total
SLR	48090	89.28%	47694	89.42%	42092	91.28%	48242	90.74%
Non SLR	5774	10.72%	5646	10.58%	4019	8.72%	4922	9.26%
Total	53864	100.00%	53340	100.00%	46111	100.00%	53164	100.00%

AGRICULTURE CREDIT- BREAK UP



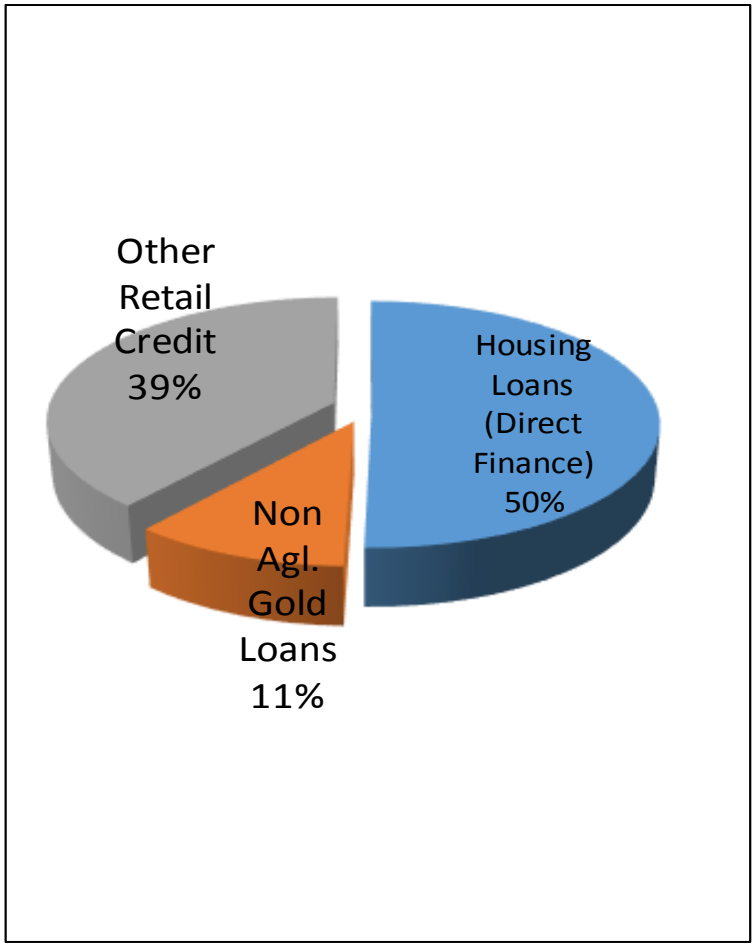
(Amount in Rs crore)

Category	March 2016	June 2016	Sept 2015	Sept 2016	Variance (Y-o-Y) %
AGRI GOLD LOANS	4769	5153	4187	5691	35.92%
AGRI TERM LOANS	2827	2698	3101	2567	-17.22%
PATTABHI AGRI CASH CREDITS (KCC)	7286	7315	6527	7674	17.57%
SHG FARM SECTOR	4862	4602	4768	4647	-2.54%
OTHERS *	4935	5197	4978	5486	10.20%
TOTAL	24679	24965	23561	26065	10.63%

* Including RIDF and non priority sector

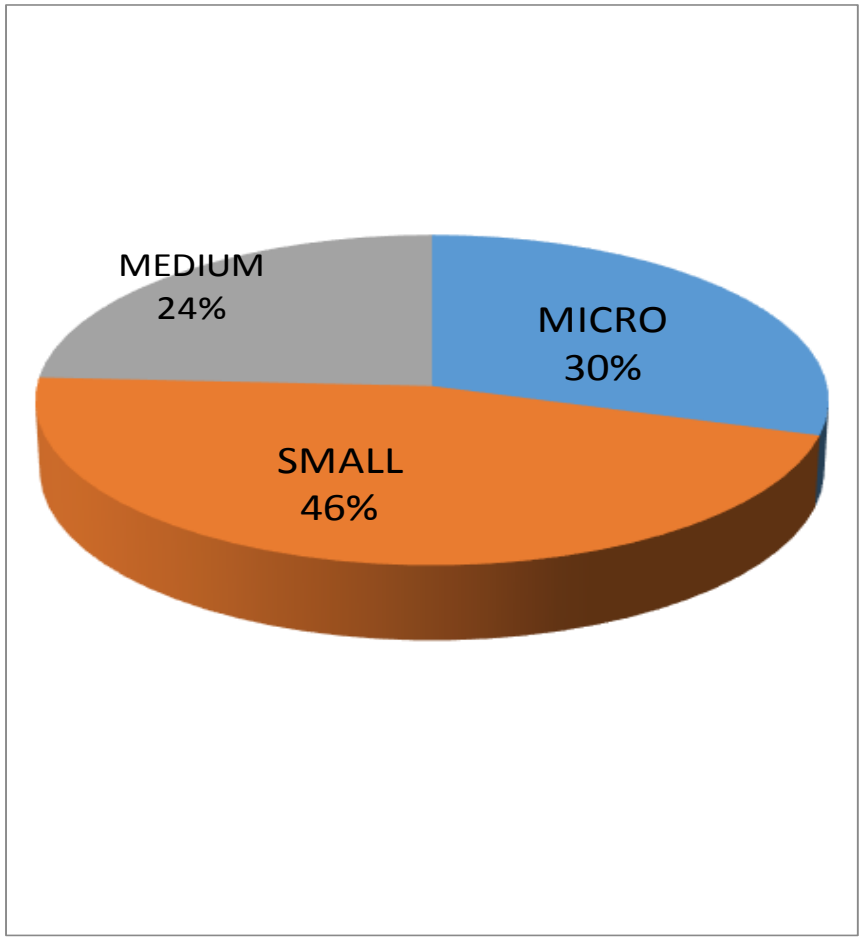
RETAIL CREDIT- BREAK UP AS ON

(Amount in Rs crore)



Category	31.03. 16	30.06.16	30.09.15	30.09.16	Variance (Y-o-Y) %
Housing Loans	11811	12313	10528	12810	21.68%
Non Agl. Gold Loans	2282	2590	2917	2694	-7.64%
Other Retail Credit (Educational Loans, Consumer/clean loans, deposit loans)	10335	9757	7453	9910	32.97%
Total	24428	24660	20898	25414	21.61%

MSME CREDIT- BREAK UP



(Amount in Rs crore)

Category	March 2016	June 2016	Sept 2015	Sept 2016	Variance (Y-o-Y) %
MICRO	6273	6787	5712	7189	25.86%
SMALL	11474	10854	11610	11155	-3.92%
MEDIUM	5531	5603	5231	5837	11.58%
TOTAL	23278	23244	22553	24181	7.22%

Andhra Bank

INDUSTRY WISE EXPOSURE AS ON 30.09.2016

(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	15505.26	11.30	13263.14	9.67
2	Housing Loans	14820.42	10.80	13848.30	10.09
3	NBFC	11343.89	8.27	9911.20	7.22
4	Iron & Steel	6969.90	5.08	6750.56	4.92
5	Textiles	5950.08	4.34	5178.37	3.77
6	Construction & Contractors	4017.90	2.93	3607.46	2.63
7	Commercial Real Estate	4223.08	3.08	3459.78	2.52
8	Rice Mills	3620.91	2.64	2705.96	1.97
9	Engineering (Heavy & Light)	2557.97	1.86	2459.60	1.79
10	Diamonds, Gems & Jewelers	1989.57	1.45	1922.34	1.40

INDUSTRY WISE EXPOSURE AS ON 30.09.2016 (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	1299.39	0.95	908.76	0.66
12	Drugs & Pharmaceuticals	2515.54	1.83	1850.81	1.35
13	Sugar	1218.84	0.89	1078.08	0.79
14	Hotels	934.80	0.68	880.83	0.64
15	Cement & Cement Products	859.70	0.63	746.66	0.54
16	Tobacco	885.04	0.64	742.89	0.54
17	Hospitals	701.49	0.51	617.05	0.45
18	Educational Institutions	650.12	0.47	518.15	0.38
19	Distilleries	238.34	0.17	214.08	0.16
20	Software	177.48	0.13	169.04	0.12

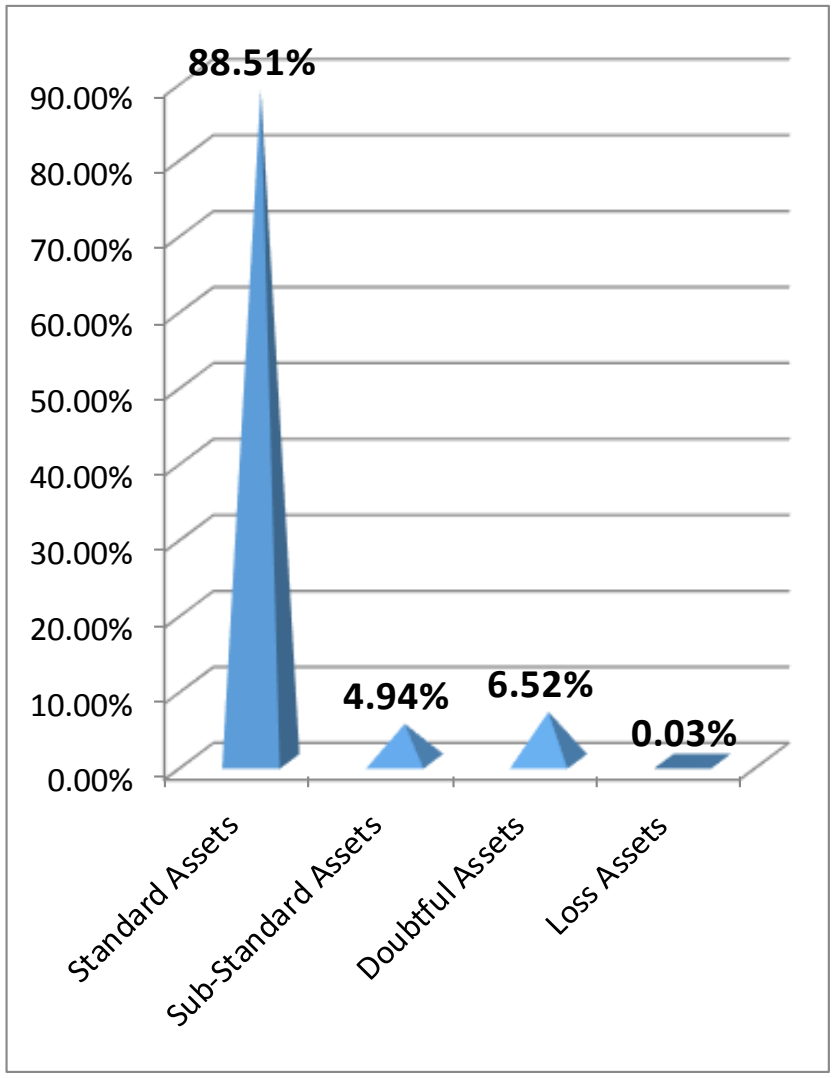
Andhra Bank

EXPOSURE TO INFRASTRUCTURE AS ON 30.09.2016

(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	15505.26	11.30	13263.15	9.67
	a) Power	15505.26	11.30	13263.15	9.67
	b) Gas Transportation	0.00	0.00	0.00	0.00
2	Transportation	5486.98	4.00	4671.34	3.40
	a) Roads, Bridges & Rail	5010.53	3.65	4217.57	3.07
	b) Ports & Airports	476.45	0.35	453.77	0.33
3	Water & Sanitation	91.27	0.07	83.66	0.06
4	Communications	2111.70	1.54	1939.01	1.41
5	Social & Commercial (of which)	1446.42	1.05	1329.66	0.96
	a) Hospitals	274.06	0.20	263.36	0.19
	b) Educational Institutes	316.58	0.23	251.08	0.18
	C) SEZ	188.79	0.14	187.44	0.14
	d) Cold Storage/Rural Godowns	303.73	0.22	264.58	0.19
	e) Fertilizers	363.26	0.26	363.20	0.26
	TOTAL	24641.63	17.96	21286.82	15.50

ASSET QUALITY



Asset Quality	31.03.16	30.09.15	30.09.16
Standard Assets	124926.99 (91.61%)	123437.52 (94.29%)	125272.46 (88.51%)
Total NPAs (of which)	11443.63 (8.39%)	7470.24 (5.71%)	16262.86 (11.49%)
Sub-Standard Assets	3337.15 (2.45%)	2232.02 (1.71%)	6991.19 (4.94%)
Doubtful Assets	8063.97 (5.91%)	5186.93 (3.96%)	9227.19 (6.52%)
Loss Assets	42.51 (0.03%)	51.29 (0.04%)	44.48 (0.03%)
T O T A L	100.00%	100.00%	100.00%

SECTOR WISE NPA%

(Amount in Rs crore)

SECTORS	As on 30.09.2015			As on 30.09.2016		
	Advances	NPA	NPA % to Total Advances (Sector wise)	Advances	NPA	NPA % to Total Advances (Sector wise)
AGRICULTURE	23561	1494	6.34%	26065	1414	5.42%
MSME	22553	1196	5.30%	24181	2475	10.24%
RETAIL CREDIT	20898	423	2.02%	25414	457	1.80%
LARGE & MID CORPORATE	63896	4356	6.82%	65875	11917	18.09%
TOTAL	130908	7469	5.71%	141535	16263	11.49%

Andhra Bank

NPA MOVEMENT

(Amount in Rs crore)

PARAMETER	Year ended	Quarter ended		
	Mar 2016	June 2016	Sept 2015	Sept 2016
NPAs at the beginning of the period	6876	11444	7238	14137
Add: Additions during the period	6332	3524	1190	2438
NPAs after addition	13208	14968	8428	16575
Less: Reduction during the period	1765	830	958	312
of which -Up gradation/Recovery	950	493	468	245
- Technical Write off/ Write off in compromise accounts	815	337	490	67
NPAs at the end of the period	11443	14138	7470	16263
Gross NPA %	8.39%	10.30%	5.71%	11.49%
Net NPAs at the end of the period	6036	8147	3750	9411
Net NPA %	4.61%	6.21%	2.95%	6.99%
Provision Coverage Ratio	56.89%	51.87%	63.00%	50.41%

RESTRUCTURED ACCOUNTS AS ON 30.09.2016

(Amount in Rs crore)

Sl.No.	Particulars	No. Of Accts	Amount
1	Below Rs 1 Crore	32	12.92
2	Rs 1 Crore to less than Rs 25 Crores	27	209.53
3	Rs 25 Crores and above	60	9013.87
4	Total	119	9236.32

CONSOLIDATED POSITION OF RESTRUCTURED ACCOUNTS AS ON 30.09.16

(Amount in Rs crore)

Particulars	
Restructured up to 31.03.2016	11393.09
Fresh Restructured during the year	1019.26
Disbursements in Restructured Accounts	454.37
Sub Total	12866.72
Less- Accounts Upgraded by special provision/ accounts closed & recoveries	616.41
-Accounts slipped to NPAs during the Period	3013.99
Restructured Closing Balance	9236.32

TOTAL RESTRUCTURED ACCOUNTS – SECTORWISE – 30.09.2016

(Amount in Rs crore)

Sl. No	Sector	As on 31.03.2016		As on 30.09.2016	
		No. of Accts	Amount in Crs	No. of Accts	Amount in Crs
1	Total Restructured Accounts and Amount	167	11393.09	119	9236.32
2	Out of which				
	i) Micro, Small and Medium Enterprises	54	429.45	35	277.31
	ii) Housing Loans Restructured	8	1.37	6	1.14
	iii) Agricultural Loans	18	64.51	12	46.03
	iv) Other Retail Credit(Educational Loans, Mortgage Loans etc)	4	0.25	2	0.06
	v) Major Industries Restructured	83	10897.51	64	8911.78

BREAK UP OF MAJOR INDUSTRIES RESTRUCTURED – As on

(Amount in Rs crore)

Sector	31.03.2016	30.06.2016	30.09.2016
MSME & Major Industries (Of which)			
a. Textiles	519.96	207.12	143.72
b. Engineering	114.41	113.67	121.96
c. Sugar	250.12	157.28	161.17
d. Iron & Steel	2442.67	1913.76	737.34
e. Contractors	1396.75	838.72	769.25
Sub Total	4723.91	3230.55	1933.44
h. Infrastructure	5774.64	6524.43	6397.90
Of which i) Power	4568.85	5233.27	5169.82
ii) Educational Institutions	78.01	73.71	72.51
iii) Roadways	976.95	1068.57	1015.58
iv) Telecom	124.13	123.00	115.80
v) others infra	26.70	25.88	24.19
i. Others	828.41	839.37	857.75
TOTAL	11326.96	10594.35	9189.09

PROFITABILITY WITH COMPARATIVES

(Amount in Rs crores)

Sr. No.	Particulars	Half year Ended		
		Sep 15	Sep 16	Variance (Y-o-Y)%
1	Interest Income	8561	8845	3.3%
2	Interest Expenses	6101	6216	1.8%
3	NII (Spread) (1-2)	2460	2629	6.9%
4	Other Income	712	1053	47.7%
5	Operating Expenses	1415	1639	15.8%
6	Operating Profit	1757	2043	16.3%
7	Provisions	1028	1901	84.9%
8	Taxes	275	60	-78.1%
9	Net Profit (6-7-8)	454	82	-81.9%

PROFIT & LOSS ACCOUNT – NON-INTEREST INCOME

(Amount in Rs crore)

Particulars	Half year Ended	
	Sep 15	Sep 16
A) Non-interest Income from Core Operations		
1) Processing Fee	112.27	135.27
2) Other Income	130.93	190.82
3) Rent on Lockers	6.85	6.57
4) Recovery in Written off Accounts	64.20	46.38
5) Commission & Exchange	198.31	236.72
Sub Total – (A)	512.56	615.76
B) Non Interest Income from Treasury		
1) Profit on Sale of Investments	122.68	365.30
2) Dividend Income	4.26	1.41
3) Forex Profit	73.00	70.95
Sub Total – (B)	199.94	437.66
C) Total Non Interest Income (A+B)	712.50	1053.42

PROVISIONS & CONTINGENCIES

(Amount in Rs crore)

Particulars	Half year Ended	
	Sep 15	Sep 16
Taxes	275	60
Dep./Loss on revaluation of Investments	17	42
Depreciation on Transfer to/from HTM	4	18
Provision for NPAs	1142	1859
Provision against Standard Assets	10	-3
Provision on Restructured Assets	-174	-8
Others	29	-7
Total	1303	1961



Thank you

www.andhrabank.in