



ANDHRA BANK
:: HYDERABAD::

UNAUDITED (REVIEWED) STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

Sl. No.	PARTICULARS	(₹ in Lacs)			
		QUARTER ENDED		YEAR ENDED	
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
1	Interest Earned (a) + (b) + (c) + (d)	496213	485292	452750	1893222
	(a) Interest / Discount on Advances / Bills	380503	366161	329557	1417255
	(b) Income on Investments	111740	111323	117505	455812
	(c) Interest on balances with Reserve Bank of India and Other inter bank funds	2357	2401	3458	8824
	(d) Others	1613	5407	2230	11331
2	Other Income	47490	46061	56458	204504
A	Total Income (1+2)	543703	531353	509208	2097726
3	Interest Expended	331154	303147	306738	1222399
4	Operating Expenses (e)+(f)	94973	99382	81703	373015
	(e) Employees cost	59255	61322	44002	224150
	(f) Other Operating expenses	35718	38060	37701	148865
B	Total Expenditure (Excluding Provisions & Contingencies) (3+4)	426127	402529	388441	1595414
C	Operating Profit (Profit before Provisions & Contingencies) (A-B)	117576	128824	120767	502312
D	Provisions (other than tax) and Contingencies	104104	251185	170750	743425
	Of which provisions for Non-Performing Assets	92296	234106	138787	667425
E	Exceptional Items	-	-	-	-
F	Net Profit / (Loss) from Ordinary activity before tax (C-D-E)	13472	(122361)	(49983)	(241113)
G	Provision for Taxes	8316	1000	4000	37500
H	Net Profit / (Loss) from Ordinary activity (F-G)	5156	(123361)	(53983)	(278613)
I	Extraordinary items (net of tax expense)	-	-	-	-
J	Net Profit / (Loss) for the period (H-I)	5156	(123361)	(53983)	(278613)
5	Paid-up equity share capital (Face value of each share ₹ 10/-)	298449	288449	119883	288449
6	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	932087	932087	878396	932087
7	Analytical Ratios:				
	(i) Percentage of shares held by Government of India	87.81	90.85	77.99	90.85
	(ii) Capital Adequacy Ratio (%)	13.72	13.68	10.92	13.68
	a. CET 1 Ratio (%)	8.76	8.42	5.56	8.42
	b. Additional Tier 1 Ratio (%)	1.99	1.96	1.97	1.96
	(iii) Earnings per share in ₹ (not annualised)				
	a. Basic	0.17	(6.89)	(4.50)	(19.01)
	b. Diluted	0.17	(6.89)	(4.50)	(19.01)
	(iv) a. Amount of Gross Non Performing Assets	2963599	2897397	2678481	2897397
	b. Amount of Net Non Performing Assets	905625	909140	1156130	909140
	c. % of Gross NPAs	16.44	16.21	16.69	16.21
	d. % of Net NPAs	5.67	5.73	7.96	5.73
	(v) Return on Assets (annualised) (%)	0.08	(1.92)	(0.86)	(1.09)



SEGMENT REPORT:

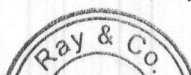
Part A: Business Segments

Sl. No.	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
1	Segment Revenue				
	(a) Treasury				
	(b) Corporate/Wholesale Banking	116169	116765	125959	476349
	(c) Retail Banking	137831	134835	137087	545019
	(d) Other Banking Operations	223833	210228	185908	820815
	Total	65870	69525	60254	255543
	Less: Inter Segment Revenue	543703	531353	509208	2097726
	Income from Operations	543703	531353	509208	2097726
2	Segment Results				
	(a) Treasury				
	(b) Corporate/Wholesale Banking	25122	28324	29873	114064
	(c) Retail Banking	29806	32703	32512	130508
	(d) Other Banking Operations	48404	50960	44091	196549
	Total	14244	16837	14291	61191
	Less : Other Un-allocable Expenditure	117576	128824	120767	502312
	Total Profit / (Loss) Before Tax	104104	251185	170750	743425
	Income tax and other taxes paid	13472	(122361)	(49983)	(241113)
	Net Profit / (Loss)	8316	1000	4000	37500
		5156	(123361)	(53983)	(278613)
3	Segment Assets				
	(a) Treasury				
	(b) Corporate/Wholesale Banking	6576656	7244652	7188019	7244652
	(c) Retail Banking	7356610	7298286	7144542	7298286
	(d) Other Banking Operations	7778698	7749111	7119973	7749111
	(e) Unallocated	2191813	2086352	1522641	2086352
	Total	552785	552741	434339	552741
		24461062	24931142	23409514	24931142
4	Segment Liabilities				
	(a) Treasury				
	(b) Corporate/Wholesale Banking	6459221	7122745	7108078	7122745
	(c) Retail Banking	7200871	7127165	7026459	7127165
	(d) Other Banking Operations	7372599	7387848	6842166	7387848
	(e) Unallocated	2068730	1963464	1396647	1963464
	Total	12218	13407	8318	13407
		23113639	23614629	22381668	23614629
5	Capital Employed				
	(a) Treasury				
	(b) Corporate/Wholesale Banking	117435	121907	79941	121907
	(c) Retail Banking	155739	171121	118083	171121
	(d) Other Banking Operations	406099	361263	277807	361263
	(e) Unallocated	123083	122888	125994	122888
	Total	545067	539334	426021	539334
		1347423	1316513	1027846	1316513

Part B: Geographic Segments: There is only one segment i.e. Domestic Segment.

Notes:

- The above results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Bank at the meeting held on 02nd August, 2019 subjected to a limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of listing agreement with Stock Exchanges.
- The financial results have been prepared following the same accounting policies and generally accepted practices as those followed in the annual financial statements for the year ended 31st March, 2019.



NOTES FORMING PART OF THE STANDALONE UNAUDITED (REVIEWED) FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

1. The above standalone financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Bank at the meeting held on 02nd August, 2019 subjected to a limited review by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of listing agreement with stock exchange.
2. The financial results have been prepared following the same accounting policies and generally accepted practices as those followed in the annual financial statements for the year ended 31st March, 2019.
3. The working results of the Bank for the quarter ended 30th June, 2019 have been arrived at after considering provisions for Standard Assets, Non Performing Assets, Depreciation on Investments, MSME borrowers, unhedged foreign currency exposure made on the basis of extant guidelines issued by Reserve Bank of India. All other usual and necessary provisions including Gratuity, Pension, Leave encashment, other long term employee benefits and taxation have been made on an estimated basis and are subject to adjustments, if any, at the year end.
4. In terms of Reserve Bank of India circular no. DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' read together with RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standard Amendments' Banks are required to make applicable Pillar 3 disclosures including Leverage Ratio and Liquidity Coverage Ratio under the Basel III Framework. These disclosures are being made available on the Bank's website at the link <https://www.andhrabank.in/english/regulatory.aspx>. These quarterly Pillar 3 disclosures have not been subjected to limited review by the Statutory Central Auditors of the Bank.
5. In accordance with the RBI guidelines, during the quarter ended 30th June, 2019, Bank has shifted the Central Government Securities with a book value of ₹ 2707.63 crore and State Government Securities with a book value of ₹ 2003.98 crore from HTM to AFS category. Further, Bank has shifted from AFS to HTM category, the Central Government Securities with a book value of ₹ 41.15 crore after charging a shifting loss of ₹ 1.07 crore and State Government Securities with a book value of ₹ 6848.40 crore after charging a shifting loss of ₹ 157.84 crore. Venture Capital Fund for an amount of ₹ 34.56 crore has been shifted from HTM to AFS category after providing for a depreciation of ₹ 1.48 crore.
6. During the quarter, the Bank allotted 10 crore equity shares of ₹ 10 each at a premium of ₹ 15.68 per share (including the discount of ₹ 6.42 per share) to Employees of the Bank under Employees Stock Purchase Scheme (ESPS) to the tune of ₹ 256.80 crore on 24th April, 2019, which resulted in increase in equity capital of the Bank by ₹ 100.00 crore to ₹ 2,984.49 crore.

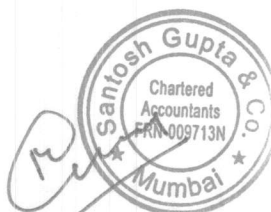
and share premium by ₹ 156.80 crore to ₹ 8,709.79 crore. As a result, percentage of shares held by Government of India decreased to 87.81% from 90.85%. In compliance with 'Guidance Note on Accounting for Employee Share-based Payments' issued by The Institute of Chartered Accountants of India, Bank has charged an amount of ₹ 64.20 crore to Profit and Loss account under 'Employees Cost' representing the difference i.e. discount between market value and issue price of the said shares allotted to the employees.

7. RBI vide Circular No. DBR.No.BP.BC.108/21.04.048/2017-18 dated 06th June, 2018 permitted Banks to continue the exposure to MSME borrowers to be classified as Standard Assets. Accordingly, Bank has retained MSME loans amounting to ₹ 306.40 crore as Standard Asset as on 30th June, 2019 and not recognized interest income of ₹ 4.05 crore for the quarter ended 30th June, 2019 and has maintained a Standard Asset provision of ₹ 15.12 crore for these accounts as at 30th June, 2019
8. In accordance with RBI Circular No. DBR.No.BP.BC.18/21.04.048/2018-19 dated 01st January, 2019 on "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances" the details of MSME accounts restructured by the Bank during the quarter ended 30th June, 2019 are as under:

No. of Accounts Restructured	Amount (₹ in Crore)
698	166.42

9. Pursuant to proposed bipartite agreement on wage revision (due from November 2017), a sum of ₹ 30.00 crore has been provided during the quarter ended 30th June, 2019 (₹ 217.05 crore up to 30th June, 2019), on ad hoc basis.
10. The Provision Coverage Ratio as on 30th June, 2019 is 74.45%.
11. Details of Investors' complaints for the quarter ended 30th June, 2019:

Beginning: Nil	Received: Nil	Disposed off: Nil	Lying unresolved: Nil
----------------	---------------	-------------------	-----------------------



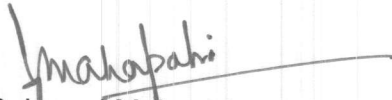
12. Figures of the corresponding previous periods have been regrouped / restated wherever necessary.



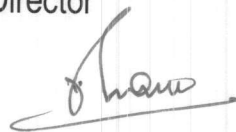
Kul Bhushan Jain
Executive Director



J Packirisamy
Managing Director & CEO



Balgopal Mahapatra
Director

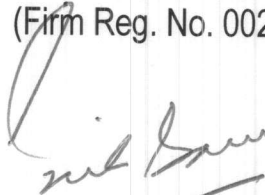


B. Satyanarayana Rao
Deputy General Manager



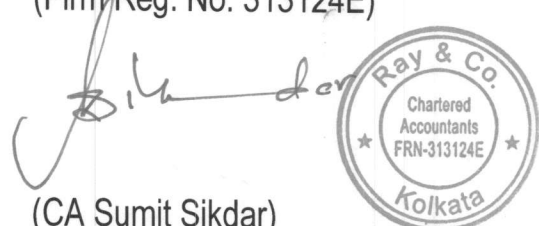
M.B. Rajendra Prasad
General Manager & CFO

For Agarwal & Saxena
Chartered Accountants
(Firm Reg. No. 002405C)



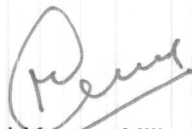
(CA Anil K. Saxena)
Partner (M.No. 071600)
UIDN: 19071600AAAAAC5176

For Ray & Co.
Chartered Accountants
(Firm Reg. No. 313124E)



(CA Sumit Sikdar)
Partner (M.No. 120622)
UIDN: 19120622AAAAAI7014

For Santosh Gupta & Co.
Chartered Accountants
(Firm Reg. No. 009713N)



(CA Manoj Kumar Nijhawan)
Partner (M.No. 512659)
UIDN: 19512659AAAABO9702

For G S Madhava Rao & Co.
Chartered Accountants
(Firm Reg. No. 001907S)



(CA S Madhusudana Sarma)
Partner (M.No. 028604)
UIDN: 19028604AAAABL1810

AGARWAL & SAXENA Chartered Accountants 510-511, Fifth Floor, City Centre, 63/2, The Mall, Kanpur – 208 001	RAY & CO Chartered Accountants Shakespeare Court, 21A, Shakespeare Sarani, Flat 8C, 8 th Floor, Kolkata – 700 017	SANTOSH GUPTA & CO Chartered Accountants 417, Atlanta Estate, G M Link Road, Vitt Bhatti, Goregaon (East), Mumbai – 400 063	G.S. MADHAVA RAO & Co. Chartered Accountants F5 & 7, Hyderabad Business Centre, Hyderguda, Hyderabad – 500 029
--	--	---	--

Independent Auditor's Review Report on Standalone unaudited Quarterly results of the Bank Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

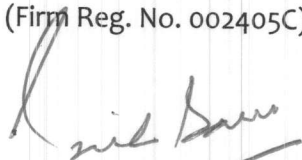
To
The Board of Directors
Andhra Bank
Hyderabad

1. We have reviewed the accompanying statement of unaudited financial results of Andhra Bank for the Quarter ended 30th June 2019. The disclosures relating to Pillar 3 disclosure as at 30th June 2019, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as will be disclosed on the Bank's website and in respect of which a link has been provided in the Statement have not been reviewed by us. This statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of bank personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. These unaudited financial results incorporate relevant returns of 20 branches and Investments & International Banking Division, Mumbai reviewed by us. In the conduct of our review, we have relied on the certificates in respect of non-performing assets received from external concurrent auditors of 634 branches. These review reports (Memorandum of Changes for the branch and Certificates in respect of Non-Performing Assets) cover 78.95% of the advances portfolio of the Bank and 94.24% of non-performing assets of the Bank as on 30th June 2019. Apart from these review reports, in the conduct of our review, we have also taken note of un reviewed returns received from 2229 branches of the bank.
4. Based on our review conducted as above, subject to limitations in scope as mentioned in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results together with the notes thereon, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that

AGARWAL & SAXENA Chartered Accountants 510-511, Fifth Floor, City Centre, 63/2, The Mall, Kanpur – 208 001	RAY & CO Chartered Accountants Shakespeare Court, 21A, Shakespeare Sarani, Flat 8C, 8 th Floor, Kolkata – 700 017	SANTOSH GUPTA & CO Chartered Accountants 417, Atlanta Estate, G M Link Road, Vitt Bhatti, Goregaon (East), Mumbai – 400 063	G.S. MADHAVA RAO & Co. Chartered Accountants F5 & 7, Hyderabad Business Centre, Hyderguda, Hyderabad – 500 029
--	--	---	--

it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Agarwal & Saxena
Chartered Accountants
(Firm Reg. No. 002405C)



(CA Anil K. Saxena)
Partner (M.No. 071600)
UIDN: 19071600AAAAAC5176



For Ray & Co.
Chartered Accountants
(Firm Reg. No. 313124E)



(CA Sumit Sikdar)
Partner (M.No. 120622)
UIDN: 19120622AAAAAI7014



For Santosh Gupta & Co.
Chartered Accountants
(Firm Reg. No. 009713N)



(CA Manoj Kumar Nijhawan)
Partner (M.No. 512659)
UIDN: 19512659AAAABO9702



For G S Madhava Rao & Co.
Chartered Accountants
(Firm Reg. No. 001907S)



(CA S Madhusudana Sarma)
Partner (M.No. 028604)
UIDN: 19028604AAAABL1810



Place: Hyderabad
Date: 02-08-2019



UNAUDITED (REVIEWED) CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

Sl. No.	PARTICULARS	(₹ in Lacs)			
		QUARTER ENDED		YEAR ENDED	
		30.06.2019 UNAUDITED	31.03.2019 AUDITED	30.06.2018 UNAUDITED	31.03.2019 AUDITED
1	Interest Earned (a) + (b) + (c) + (d)	503414	492263	459105	1920288
	(a) Interest / Discount on Advances / Bills	380551	366199	329587	1417384
	(b) Income on investments	118762	118118	123727	482275
	(c) Interest on balances with Reserve Bank of India and Other inter bank funds				
	(d) Others	2487	2529	3561	9287
2	Other Income	1614	5417	2230	11342
A	Total Income (1+2)	68946	89043	72451	308810
3	Interest Expended	572360	581306	531556	2229098
4	Operating Expenses (e)+(f)	331168	303160	306751	1222428
	(e) Employees cost	123448	146508	104323	500578
	(f) Other Operating expenses	60865	63254	45310	230146
		62583	83254	59013	270432
B	Total Expenditure (Excluding Provisions & Contingencies) (3+4)	454616	449668	411074	1723006
C	Operating Profit (Profit before Provisions & Contingencies) (A-B)	117744	131638	120482	506092
D	Provisions (other than tax) and Contingencies	106015	251618	170752	745220
	Of which provisions for Non-performing Assets	92296	234106	138787	667425
E	Exceptional Items	-	-	-	-
F	Net Profit / (Loss) from Ordinary activity before tax (C-D-E)	11729	(119980)	(50270)	(239128)
G	Provision for taxes	8338	980	4032	37581
H	Net Profit / (Loss) from Ordinary activity (F-G)	3391	(120960)	(54302)	(276709)
I	Extraordinary items (net of tax expense)	-	-	-	-
J	Net Profit / (Loss) for the period (H-I)	3391	(120960)	(54302)	(276709)
K	Share of earnings from Associate	558	351	622	2509
L	Consolidated Net Profit / (Loss) for the year attributed to the Group (J+K)	3949	(120609)	(53680)	(274200)
5	Paid-up equity share capital (Face value of each share ₹ 10/-)	298449	288449	119883	288449
6	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	948747	948747	890200	948747
7	Analytical Ratios:				
	(i) Percentage of shares held by Government of India	87.81	90.85	77.99	90.85
	(ii) Capital Adequacy Ratio (%)	13.87	13.82	11.04	13.82
	a. CET 1 Ratio (%)	8.91	8.55	5.68	8.55
	b. Additional Tier 1 Ratio (%)	1.99	1.97	1.97	1.97
	(iii) Earnings per share in ₹ (not annualised)				
	a. Basic	0.13	(6.74)	(4.48)	(18.71)
	b. Diluted	0.13	(6.74)	(4.48)	(18.71)
	(iv) a. Amount of Gross Non Performing Assets	2963599	2897397	2678481	2897397
	b. Amount of Net Non Performing Assets	905625	909140	1156130	909140
	c. % of Gross NPAs	16.44	16.21	16.69	16.21
	d. % of Net NPAs	5.67	5.73	7.96	5.73
	(v) Return on Assets (annualised) (%)	0.06	(1.94)	(0.89)	(1.10)



FINANCIAL STATEMENT REPORT

Part A: Business Segments

Sl. No.	Particulars	QUARTER ENDED			YEAR ENDED
		30.06.2019 UNAUDITED	31.03.2019 AUDITED	30.06.2018 UNAUDITED	31.03.2019 AUDITED
1	Segment Revenue				
	(a) Treasury	124378	130182	133514	513522
	(b) Corporate/Wholesale Banking	137831	134835	137087	545019
	(c) Retail Banking	223833	210228	185908	820815
	(d) Other Banking Operations	86318	106061	75047	349742
	Total	572360	581306	531556	2229098
	Less: Inter Segment Revenue	-	-	-	-
	Income from Operations	572360	581306	531556	2229098
2	Segment Results				
	(a) Treasury	25708	29553	30418	117167
	(b) Corporate/Wholesale Banking	28489	30604	31232	124354
	(c) Retail Banking	46264	47728	42355	187281
	(d) Other Banking Operations	17841	24104	17099	79799
	Total	118302	131989	121104	508601
	Less : Other Un-allocable Expenditure	106015	251618	170752	745220
	Total Profit Before Tax	12287	(119629)	(49648)	(236619)
	Income tax and other taxes paid	8338	980	4032	37581
	Net Profit	3949	(120609)	(53680)	(274200)
3	Segment Assets				
	(a) Treasury	7033433	7708579	7585722	7708579
	(b) Corporate/Wholesale Banking	7337630	7277625	7127799	7277625
	(c) Retail Banking	7747878	7717997	7097267	7717997
	(d) Other Banking Operations	2244461	2144954	1562361	2144954
	(e) Unallocated	559662	555243	436579	555243
	Total	24923064	25404398	23809728	25404398
4	Segment Liabilities				
	(a) Treasury	6913411	7582873	7504316	7582873
	(b) Corporate/Wholesale Banking	7189052	7117417	7015621	7117417
	(c) Retail Banking	7364413	7380599	6834000	7380599
	(d) Other Banking Operations	2071230	1967290	1399732	1967290
	(e) Unallocated	21925	23047	15211	23047
	Total	23560031	24071226	22768880	24071226
5	Capital Employed				
	(a) Treasury	120022	125706	81406	125706
	(b) Corporate/Wholesale Banking	148578	160208	112178	160208
	(c) Retail Banking	383465	337398	263267	337398
	(d) Other Banking Operations	173231	177664	162629	177664
	(e) Unallocated	537737	532196	421368	532196
	Total	1363033	1333172	1040848	1333172

Part B: Geographic Segments: There is only one segment - Domestic Segment. However, the consolidated statement includes the

Notes:

- 1) The Consolidated Financial Statements for the quarter ended 30th June, 2019 have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their meeting held on 02nd August, 2019. The same have been subjected to a limited review by the Statutory Central Auditors of the Bank.
- 2) The consolidated financial results have been prepared in accordance with the Accounting Standard AS-21 "Consolidated Financial Statements", AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements" and AS-27 "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India and the guidelines issued by the Reserve Bank of India.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS UNAUDITED
(REVIEWED) FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2019

1. The Consolidated Financial Statements for the quarter ended 30th June, 2019 have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their meeting held on 02nd August, 2019. The same have been subjected to a limited review by the Statutory Central Auditors of the Bank.
2. The consolidated financial results have been prepared in accordance with the Accounting Standard AS-21 "Consolidated Financial Statements", AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements" and AS-27 "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India and the guidelines issued by the Reserve Bank of India.
3. The accompanying consolidated financial statements are the first consolidated financial statements of the bank and have been drawn up pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended by insertion of sub-regulation (8) which came into effect from April 01, 2019 with respect to half yearly/ quarterly review of accounts of Public Sector Banks. Accordingly, the comparative figures as disclosed therein with respect to 30.06.2018 have not been subjected to limited review by the Statutory Central Auditors of the Bank.
4. The consolidated financial results comprise of financial statements of Andhra Bank (Parent Bank) and its subsidiary M/s Andhra Bank Financial Services Limited, one associate Chaitanya Godavari Grameena Bank and three joint ventures M/s India First Life Insurance Company Limited, ASREC (India) Limited and India International Bank (Malaysia) Berhad.
5. The financial statements of the jointly controlled entity India International Bank (Malaysia) Berhad is applying proportionate consolidation have been drawn up to 31st March 2019 in the absence of financial statements for the quarter ended 30th June 2019 being available. As confirmed by the Joint Venture, there were no significant transactions or other events which occurred between the intervening period of three months.
6. The working results of the Bank for the quarter ended 30th June, 2019 have been arrived at after considering provisions for Standard Assets, Non Performing Assets, Depreciation on Investments, MSME borrowers, unhedged foreign currency exposure made on the basis of extant guidelines issued by Reserve Bank of India. All other usual and necessary provisions including Gratuity, Pension, Leave encashment, other long term employee benefits and taxation have been made on an estimated basis and are subject to adjustments, if any, at the year end.
7. In terms of Reserve Bank of India circular no. DBOD.No.BP.BC.1/21.06.201/2015-16 dated 1st July, 2015 on 'Basel III Capital Regulations' read together with RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standard Amendments' Banks are required to make applicable Pillar 3 disclosures including Leverage Ratio and Liquidity Coverage Ratio under the Basel III Framework. These disclosures are being made available on the Bank's website at the link <https://www.andhrabank.in/english/regulatory.aspx>. These quarterly Pillar 3 disclosures have not been subjected to limited review by the Statutory Central Auditors of the Bank.

8. In accordance with the RBI guidelines, during the quarter ended 30th June, 2019, Bank has shifted the Central Government Securities with a book value of ₹ 2707.63 crore and State Government Securities with a book value of ₹ 2003.98 crore from HTM to AFS category. Further, Bank has shifted from AFS to HTM category, the Central Government Securities with a book value of ₹ 41.15 crore after charging a shifting loss of ₹ 1.07 crore and State Government Securities with a book value of ₹ 6848.40 crore after charging a shifting loss of ₹ 157.84 crore. Venture Capital Fund for an amount of ₹ 34.56 crore has been shifted from HTM to AFS category after providing for a depreciation of ₹ 1.48 crore.
9. During the quarter, the Bank allotted 10 crore equity shares of ₹ 10 each at a premium of ₹ 15.68 per share (including the discount of ₹ 6.42 per share) to Employees of the Bank under Employees Stock Purchase Scheme (ESPS) to the tune of ₹ 256.80 crore on 24th April, 2019, which resulted in increase in equity capital of the Bank by ₹ 100.00 crore to ₹ 2,984.49 crore and share premium by ₹ 156.80 crore to ₹ 8,709.79 crore. As a result, percentage of shares held by Government of India decreased to 87.81% from 90.85%. In compliance with 'Guidance Note on Accounting for Employee Share-based Payments' issued by The Institute of Chartered Accountants of India, Bank has charged an amount of ₹ 64.20 crore to Profit and Loss account under 'Employees Cost' representing the difference i.e. discount, between market value and issue price of the said shares allotted to the employees.
10. RBI vide Circular No. DBR.No.BP.BC.108/21.04.048/2017-18 dated 06th June, 2018 permitted Banks to continue the exposure to MSME borrowers to be classified as Standard Assets. Accordingly, Bank has retained MSME loans amounting to ₹ 306.40 crore as Standard Asset as on 30th June, 2019 and not recognized interest income of ₹ 4.05 crore for the quarter ended 30th June, 2019 and has maintained a Standard Asset provision of ₹ 15.12 crore for these accounts as at 30th June, 2019
11. In accordance with RBI Circular No. DBR.No.BP.BC.18/21.04.048/2018-19 dated 01st January, 2019 on "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances" the details of MSME accounts restructured by the Bank during the quarter ended 30th June, 2019 are as under:

No. of Accounts Restructured	Amount (₹ in Crore)
698	166.42

12. Pursuant to proposed bipartite agreement on wage revision (due from November 2017), a sum of ₹ 30.00 crore has been provided during the quarter ended 30th June, 2019 (₹ 217.05 crore up to 30th June, 2019), on ad hoc basis.
13. The Provision Coverage Ratio as on 30th June, 2019 is 74.45%.
14. Details of Investors' complaints for the quarter ended 30th June, 2019:

Beginning: Nil	Received: Nil	Disposed off: Nil	Lying unresolved: Nil
----------------	---------------	-------------------	-----------------------

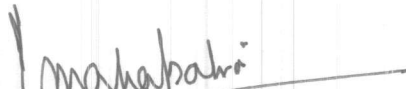
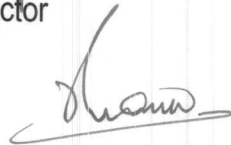
15. The financial statements of subsidiary, associate and joint venture are adjusted, wherever necessary, to conform to the accounting policies of the Bank.



16. Corresponding period's figures have been regrouped/re-classified wherever considered necessary.



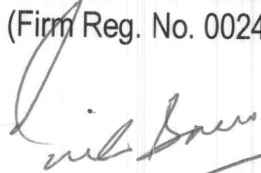
Kul Bhushan Jain
Executive Director


J Packirisamy
Managing Director & CEO
Balgopal Mahapatra
Director

B. Satyanarayana Rao
Deputy General Manager

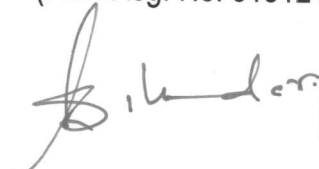

M.B. Rajendra Prasad
General Manager & CFO

For Agarwal & Saxena
Chartered Accountants
(Firm Reg. No. 002405C)



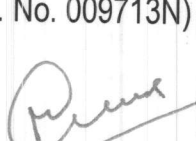

(CA Anil K. Saxena)
Partner (M.No. 071600)
UIDN: 19071600AAAAAD4626

For Ray & Co.
Chartered Accountants
(Firm Reg. No. 313124E)



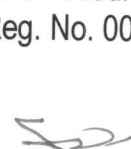

(CA Sumit Sikdar)
Partner (M.No. 120622)
UIDN: 19120622AAAAAJ2566

For Santosh Gupta & Co.
Chartered Accountants
(Firm Reg. No. 009713N)




(CA Manoj Kumar Nijhawan)
Partner (M.No. 512659)
UIDN: 191512659AAAABN4719

For G S Madhava Rao & Co.
Chartered Accountants
(Firm Reg. No. 001907S)




(CA S Madhusudana Sarma)
Partner (M.No. 028604)
UIDN: 19028604AAAABK4906

Place: Hyderabad
Date: 02-08-2019

AGARWAL & SAXENA Chartered Accountants 510-511, Fifth Floor, City Centre, 63/2, The Mall, Kanpur – 208 001	RAY & CO Chartered Accountants Shakespeare Court, 21A, Shakespeare Sarani, Flat 8C, 8 th Floor, Kolkata – 700 017	SANTOSH GUPTA & CO Chartered Accountants 417, Atlanta Estate, G M Link Road, Vitt Bhatti, Goregaon (East), Mumbai – 400 063	G.S. MADHAVA RAO & Co. Chartered Accountants F5 & 7, Hyderabad Business Centre, Hyderguda, Hyderabad – 500 029
--	--	---	--

Independent Auditor's Review Report on Consolidated Unaudited Quarterly results of the Bank Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Andhra Bank
Hyderabad

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Andhra Bank ("the Parent"/ "the Bank") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), its jointly controlled entities and its share of the aggregate net profit after tax of its associate for the quarter ended 30th June 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures relating to consolidated Pillar 3 disclosure as at 30th June 2019, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as will be disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended 30th June 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), issued by Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



AGARWAL & SAXENA Chartered Accountants 510-511, Fifth Floor, City Centre, 63/2, The Mall, Kanpur – 208 001	RAY & CO Chartered Accountants Shakespeare Court, 21A, Shakespeare Sarani, Flat 8C, 8 th Floor, Kolkata – 700 017	SANTOSH GUPTA & CO Chartered Accountants 417, Atlanta Estate, G M Link Road, Vitt Bhatti, Goregaon (East), Mumbai – 400 063	G.S. MADHAVA RAO & Co. Chartered Accountants F5 & 7, Hyderabad Business Centre, Hyderguda, Hyderabad – 500 029
--	--	---	--

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Andhra Bank Financial Services Limited	Subsidiary
Chaitanya Godavari Grameena Bank	Associate
India First Life Insurance Company Limited	Joint Venture
ASREC (India) Limited	Joint Venture
India International Bank (Malaysia) BHD	Joint Venture

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the certificates in respect of non-performing assets received from external concurrent auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure as at 30th June 2019, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as will be disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.
6. We did not review the interim financial results of 2863 branches included in the standalone unaudited financial results of the bank included in the Group, whose results reflect Total Advances of Rs. 1,09,596.59 crores as at 30th June 2019 and Total Revenues of Rs. 5,437.03 crores for the quarter ended 30th June 2019, as considered in the respective standalone unaudited financial results of the entities included in the Group. The interim financial results of 634 branches have however been reviewed by the external concurrent auditors of entities whose reports (Memorandum of Changes for the branches and Certificates in respect of Non Performing Assets) have been furnished to us, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the reports (Memorandum of Changes for the branch and Certificates in respect of Non-Performing Assets) of the Concurrent Auditors and the procedures performed by us as stated in paragraph 3 above. The 634 branches reviewed by the external Concurrent Auditors reflect Total Advances of Rs. 71,654.13 crores as at 30th June 2019.



AGARWAL & SAXENA Chartered Accountants 510-511, Fifth Floor, City Centre, 63/2, The Mall, Kanpur – 208 001	RAY & CO Chartered Accountants Shakespeare Court, 21A, Shakespeare Sarani, Flat 8C, 8 th Floor, Kolkata – 700 017	SANTOSH GUPTA & CO Chartered Accountants 417, Atlanta Estate, G M Link Road, Vitt Bhatti, Goregaon (East), Mumbai – 400 063	G.S. MADHAVA RAO & Co. Chartered Accountants F5 & 7, Hyderabad Business Centre, Hyderguda, Hyderabad – 500 029
--	--	---	--

We did not review the interim financial results of 1 jointly controlled entity included in the consolidated unaudited financial results, whose interim financial results, reflect total assets of Rs. 4,384.14 crores as at 30th June 2019, total revenues of Rs. 283.77 crores and total net loss of Rs. 18.22 crores for the quarter ended 30th June 2019, as considered in the consolidated unaudited financial results. These interim financial results of 1 Jointly controlled entity has been audited by other auditors whose report has been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters

7. The consolidated unaudited financial results includes the interim financial results which have not been reviewed of 2229 branches I of the bank included in the standalone unaudited financial results of the bank included in the Group, whose results reflect total Advances of Rs. 37,942.46 crores as at 30th June 2019, as considered in the respective standalone unaudited financial results of the entities included in the Group.

The consolidated unaudited financial results includes the interim financial results of 1 subsidiary and 2 jointly controlled entities which have not been reviewed by their auditors, whose interim financial results reflect Total Assets of Rs.80.56 crores as at 30th June 2019, total Revenue of Rs. 2.79 crores and total net profit after tax of Rs.0.56 crores for the quarter ended 30th June 2019 , as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of total net profit after tax of Rs. 5.59 crores for the quarter ended 30th June 2019 as considered in the consolidated unaudited financial results, in respect of 1 associate, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

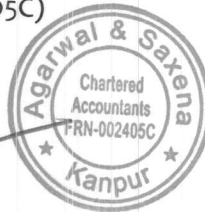


AGARWAL & SAXENA Chartered Accountants 510-511, Fifth Floor, City Centre, 63/2, The Mall, Kanpur – 208 001	RAY & CO Chartered Accountants Shakespeare Court, 21A, Shakespeare Sarani, Flat 8C, 8 th Floor, Kolkata – 700 017	SANTOSH GUPTA & CO Chartered Accountants 417, Atlanta Estate, G M Link Road, Vitt Bhatti, Goregaon (East), Mumbai – 400 063	G.S. MADHAVA RAO & Co. Chartered Accountants F5 & 7, Hyderabad Business Centre, Hyderguda, Hyderabad – 500 029
--	--	---	--

Our conclusion on the Statement is not modified in respect of the above matter.

For Agarwal & Saxena
Chartered Accountants
(Firm Reg. No. 002405C)

(CA Anil K. Saxena)
Partner (M.No. 071600)
UIDN: 19071600AAAAAD4626



For Ray & Co.
Chartered Accountants
(Firm Reg. No. 313124E)

(CA Sumit Sikdar)
Partner (M.No. 120622)
UIDN: 19120622AAAAAJ2566



For Santosh Gupta & Co.
Chartered Accountants
(Firm Reg. No. 009713N)

(CA Manoj Kumar Nijhawan)
Partner (M.No. 512659)
UIDN: 19512659AAAABN4719



For G S Madhava Rao & Co.
Chartered Accountants
(Firm Reg. No. 001907S)

(CA S Madhusudana Sarma)
Partner (M.No. 028604)
UIDN: 19028604AAAABK4906



Place: Hyderabad
Date: 02-08-2019