ఆంధ్రాబ్యాంక్
(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 - 500 004.

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.30/653

Dt: 02.02.2012

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

SYMBOL: ANDHRABANK

Dear Sirs,

Sub: Review Report by the Statutory Auditors of the Bank – Review of Unaudited Financial Results of the Bank for the Quarter ended December 31st, 2011

Ref: Clause 41 of the Listing Agreement

Further to our letter no. 666/25/P.30/650 dated 02.02.2012 enclosing the Unaudited Financial Results of the Bank along with the Segment Reporting for the Quarter ended 31st December, 2011, we enclose herewith the Review Report by the Statutory Auditors of the Bank on the Bank's unaudited Financial Results for the Quarter ended 31st December, 2011.

Encl: as above

Yours sincerely,

टी.आर. रामभद्रन (T.R.Ramabhadran)
उप महा प्रबन्धक Deputy General Manager
& कंपनी सचिव Company Secretary

Andhra Bank M.B. Division H.O. Hyd.

ANDHRA BANK

:: HEAD OFFICE ::

REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2011

(Rs. in Lacs)

S.No	PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
		31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
		REVIEWED					AUDITED
1	**Interest Earned (a) + (b) + (c) + (d)**	**292300**	**278252**	**212158**	**833975**	**592778**	**829128**
	(a) Interest / Discount on Advances/Bills	239061	229279	171217	684827	477141	668917
	(b) Income on Investments	49863	47693	40066	142813	113082	153959
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	3376	1280	875	5153	2431	3084
	(d) Others	-	-	-	1182	124	3168
2	**Other Income**	**23526**	**17780**	**19862**	**63001**	**59798**	**89695**
3	**TOTAL INCOME (1+2)**	**315826**	**296032**	**232020**	**896976**	**652576**	**918823**
4	**Interest Expended**	**193915**	**183128**	**128165**	**549428**	**356835**	**507031**
5	**Operating Expenses (i)+(ii)**	**45151**	**44225**	**41194**	**132143**	**125585**	**170486**
	(i) Employees cost	28470	27359	25950	83136	80659	110422
	(ii) Other Operating Expenses	16681	16866	15244	49007	44926	60064
6	**TOTAL EXPENDITURE (4+5) (Excluding Provisions & Contingencies)**	**239066**	**227353**	**169359**	**681571**	**482420**	**677517**
7	**OPERATING PROFIT (3-6) (Before Provisions & Contingencies)**	**76760**	**68679**	**62661**	**215405**	**170156**	**241306**
8	Provisions (other than tax) and Contingencies	30943	26067	17170	74705	34327	64599
	Out of which provision towards non performing assets	3947	22092	15232	37748	26540	46821
9	Exceptional Items	-	-	-	-	-	-
10	**Profit (+) / Loss (-) from ordinary activities before tax (7-8-9)**	**45817**	**42612**	**45491**	**140700**	**135829**	**176707**
11	Tax expense	15500	11000	12400	40200	40400	50000
12	**Net Profit (+) / Loss (-) from ordinary activities after tax (10-11)**	**30317**	**31612**	**33091**	**100500**	**95429**	**126707**
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	**Net Profit (+) / Loss (-) for the period (12-13)**	**30317**	**31612**	**33091**	**100500**	**95429**	**126707**
15	Paid-up equity share capital (Face value of each share ₹ 10/-)	55958	55958	48500	55958	48500	55958
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	593284	593284	392504	593284	392504	593284
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	58.00	58.00	51.55	58.00	51.55	58.00
	(ii)Capital Adequacy Ratio -BASEL-I (%)	12.08	12.72	11.00	12.08	11.00	13.48
	Capital Adequacy Ratio - BASEL-II (%)	12.58	13.07	12.00	12.58	12.00	14.38
	(iii)Earnings per share (EPS) [in ₹] (* not annualized)						
	Basic and Diluted EPS before/after Extraordinary items (net of tax expense)	*5.42	*5.65	*6.82	*17.96	*19.68	26.05
	(iv) NPA Ratios						
	a. Gross Non Performing Assets	188413	198707	87233	188413	87233	99564
	b. Net Non Performing Assets	94327	108567	30813	94327	30813	27368
	c. % of Gross NPAs	2.38	2.67	1.33	2.38	1.33	1.38
	d. % of Net NPAs	1.21	1.48	0.47	1.21	0.47	0.38
	(v) Return on assets (Annualized) (%)	1.07	1.15	1.41	1.21	1.42	1.36
18	Public Shareholding						
	Number of shares (in Lacs)	2350	2350	2350	2350	2350	2350
	Percentage of shareholding	42.00	42.00	48.45	42.00	48.45	42.00
19	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	Number of Shares						
	Percentage of Shares (as a % of the total Shareholding of promoter and promoter group)	NIL					
	Percentage of Shares (as a % of the total share capital of the Bank)						
	(b) Non-encumbered						
	Number of shares	324580364	324580364	250000000	324580364	250000000	324580364
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100	100	100	100	100	100
	Percentage of Shares (as a % of the total share capital of the Bank)	58.00	58.00	51.55	58.00	51.55	58.00

K.K. MISRA
Executive Director

A.A. TAJ
Executive Director

B.A. PRABHAKAR
Chairman & Managing Director

Place: HYDERABAD
Date:02.02.2012

ANDHRA BANK Central Accounts Dept. HYD.

Segmentwise Results (₹ In Lacs)

	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
1	Segment Revenue						
	(a) Treasury	52526	42578	42837	147448	127515	178979
	(b) Corporate/Wholesale Banking	137596	142814	114325	415526	273300	382447
	(c) Retail Banking	120017	82931	59606	280021	207604	288718
	(d) Other Banking Operations	5687	27709	15252	53981	44157	68779
	Total	315826	296032	232020	896976	652576	918823
	Less: Inter Segment Revenue	0	0	0	0	0	0
	Income from Operations	315826	296032	232020	896976	652576	918823
2	Segment Results						
	(a) Treasury	12764	9800	11567	35409	33249	46975
	(b) Corporate/Wholesale Banking	33481	33149	30545	99787	71262	100434
	(c) Retail Banking	29074	19259	16241	67246	54132	75820
	(d) Other Banking Operations	1441	6471	4308	12963	11513	18077
	Total	76760	68679	62661	215405	170156	241306
	Less : (i) Other Un-allocable Expenditure	30943	26067	17170	74705	34327	64599
	Total Profit Before Tax	45817	42612	45491	140700	135829	176707
	Income tax and other taxes paid	15500	11000	12400	40200	40400	50000
	Net Profit	30317	31612	33091	100500	95429	126707
3	Segment Assets						
	(a) Treasury	2732493	2643791	2244948	2732493	2244948	2420400
	(b) Corporate/Wholesale Banking	4841702	4364050	3837032	4841702	3837032	4235394
	(c) Retail Banking	2727720	2645046	2395463	2727720	2395463	2558095
	(d) Other Banking Business	253428	350091	269847	253428	269847	350047
	(e) Unallocated Assets	1205875	1190749	900701	1205875	900701	1326136
	Total Assets	11761218	11193727	9647991	11761218	9647991	10890072
4	Segment liabilities						
	(a) Treasury	281457	294340	106975	281457	106975	184379
	(b) Corporate/Wholesale Banking	2927079	2688191	3106291	2927079	3106291	2446733
	(c) Retail Banking	5153603	4991929	4502142	5153603	4502142	4717664
	(d) Other Banking Operations	1787337	1763414	554691	1787337	554691	2049231
	e) Unallocable Liabilities	862000	736428	841459	862000	841459	840823
	Total	11011476	10474302	9111558	11011476	9111558	10240830
	Capital & Reserves	749742	719425	536433	749742	536433	649242
	Total Liabilities	11761218	11193727	9647991	11761218	9647991	10890072

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

Notes

1) These unaudited financial results for the period ended 31st December 2011, have been compiled as per clause 41 of the listing agreement with Stock Exchanges and have been prepared based on the same set of accounting policies and practices followed for the year ended 31st March , 2011.

2) The above financial results, subjected to " Limited Review " by Statutory Central Auditors, have been reviewed by the Audit Committee of the Board, approved and taken on record by the Board of Directors of the Bank at the meeting held on 02.02.2012.

3) These financial results have been arrived at, after considering provisions for standard assets, non performing assets, restructured advances, depreciation on investments on the basis of prudential norms issued by Reserve Bank of India from time to time. Provision for tax expense (including Deferred Tax), Employees' benefits (including gratuity, pension, leave encashment etc.), depreciation on fixed assets, other usual and necessary expenses have been made on estimated basis.

4) Out of the unamortized amount of ₹ 506.65 crore towards Pension and Gratuity carried forward as on 31.03.2011 in terms of RBI Notification no.DBOD.No.BP.BC.60/21.04.018/2010-11 dated 09.02.2011, an amount of ₹ 31.67 crore (₹ 95.09 crore for the nine months ended December 31, 2011) has been debited to Profit and Loss Account being the proportionate amount to be amortized. The balance amount of ₹ 411.56 crore has been carried forward.

5) Provision Coverage Ratio (PCR) stands at 65.39% as on 31st December, 2011.

6) Status of Investor Complaints :No complaints were pending as on 30th September, 2011. Complaints received and disposed off during the quarter : 07. Pending as on 31st December, 2011 : Nil.

7) Previous period figures have been regrouped/re-classified wherever necessary.

K.K. MISRA
Executive Director

A.A. TAJ
Executive Director

B.A. PRABHAKAR
Chairman & Managing Director

Place: HYDERABAD
Date:02.02.2012

ANDHRA BANK Central Accounts Dept.

Raju & Prasad
Chartered Accountants
Hyderabad

Nataraja Iyer & Co.
Chartered Accountants
Hyderabad

Umamaheswara Rao & Co.
Chartered Accountants
Hyderabad

R. Subramanian and Company
Chartered Accountants
Chennai

Patro & Co.
Chartered Accountants
Bhubaneswar

C. R. Sagdeo & Co.
Chartered Accountants
Nagpur

Limited Review Report

The Board of Directors
Andhra Bank

We have reviewed the accompanying statement of unaudited financial results of Andhra Bank for the quarter/period ended 31st December 2011, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited 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.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, 'Engagements to Review Financial Statements', 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 from material misstatement. Our review is limited primarily to enquiries of bank's 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.

The unaudited financial results incorporate the relevant returns of 20 branches and 23 zonal offices reviewed by us, returns of 279 branches reviewed by concurrent auditors and un-reviewed returns in respect of 1401 branches, 15 Extension Counters and 19 Service Centers. These reviewed returns cover 79.21% of the advances and 48.43% of Non Performing Assets of the bank. In conduct of our review, we have relied on the review returns received from concurrent auditors in respect of non-performing assets.

Apart from these, we have also relied upon various unreviewed returns received from other branches of the bank.

Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results, 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 clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For Raju & Prasad
Chartered Accountants
FRN-003475S

(Avinash T. Jain)
Partner (M. No.041689)

For Nataraja Iyer & Co.
Chartered Accountants
FRN-002413S

(G Prasad)
Partner (M. No.19617)

For Umamaheswara Rao &
Chartered Accountants
FRN-004453S

(G.Sivarama Krishna Prasad)
Partner (M. No.024860)

For R. Subramanian and Co
Chartered Accountants
FRN-004137S

(R. Subramanian)
Partner (M. No.008460)

For Patro & Co.
Chartered Accountants
FRN-310100E

(N.Ananda Rao)
Partner (M. No.51656)

For C. R. Sagdeo & Co.
Chartered Accountants
FRN-108959W

(Dr.Jayant M Ranade)
Partner (M. No.017852)

Place: Hyderabad.

Dated: 02-02-2012