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.30/049

Dt: 09.05.2014

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: Compliance to Clause 41 of the Listing Agreement – Audited Financial Results of the Bank for the Financial Year ended March 31st, 2014

Ref: Our Lr.No. 666/25/P.30/030 dated 23.04.2014

In terms of Clause 41 of the Listing Agreement, we enclose the Audited Financial Results of the Bank along with the Segment Reporting for the Financial Year ended 31st March, 2014. The same has been approved by the Board of Directors of the Bank at its meeting held at Hyderabad on Friday, 9th May, 2014.

Encl: as above

Yours faithfully,

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**
**:: HYDERABAD::**

**FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2014**

(₹ in Lacs)

| Sl. No. | PARTICULARS | QUARTER ENDED | | | YEAR ENDED | |
|---|---|---|---|---|---|---|
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | AUDITED | REVIEWED | AUDITED | AUDITED | |
| 1 | **Interest Earned (a) + (b) + (c) + (d)** | **372127** | **369764** | **335899** | **1429732** | **1290969** |
| | (a) Interest / Discount on Advances/Bills | 277090 | 278650 | 264477 | 1111378 | 1032705 |
| | (b) Income on investments | 84027 | 77623 | 69141 | 300816 | 247575 |
| | (c) Interest on inter bank funds | 952 | 3491 | 2281 | 7482 | 8924 |
| | (d) Others | 10058 | - | - | 10058 | 1765 |
| 2 | **Other Income** | 33662 | **30290** | **35407** | **133284** | **104742** |
| 3 | **TOTAL INCOME (1+2)** | **405789** | **390054** | **371306** | **1563016** | **1395711** |
| 4 | **Interest Expended** | **277148** | **272939** | **240558** | **1055998** | **915267** |
| 5 | **Operating Expenses (i)+(ii)** | **43676** | **64958** | **59383** | **230994** | **203721** |
| | (i) Employees cost | 18173 | 41488 | 38122 | 138285 | 128698 |
| | (ii) Other Operating expenses | 25503 | 23470 | 21261 | 92709 | 75023 |
| 6 | **Total Expenditure (4+5) (Excluding Provisions & Contingencies)** | **320824** | **337897** | **299941** | **1286992** | **1118988** |
| 7 | **OPERATING PROFIT (3-6) (Before Provisions & Contingencies)** | **84965** | **52157** | **71365** | **276024** | **276723** |
| 8 | Provisions (other than tax) and Contingencies | 71142 | 42800 | 36513 | 202651 | 99616 |
| | Out of which provision towards non performing assets | 66665 | 33397 | 18736 | 147717 | 61512 |
| 9 | Exceptional Items | - | - | - | - | - |
| 10 | Profit (+) / Loss (-) from ordinary activities before tax (7-8-9) | 13823 | 9357 | 34852 | 73373 | 177107 |
| 11 | Tax expense | 5015 | 4800 | 394 | 29815 | 48194 |
| 12 | Net Profit (+) / Loss (-) from ordinary activities after tax (10-11) | 8808 | 4557 | 34458 | 43558 | 128913 |
| 13 | Extraordinary items (net of tax expense) | - | - | - | - | - |
| 14 | **Net Profit (+) / Loss (-) for the period (12-13)** | **8808** | **4557** | **34458** | **43558** | **128913** |
| 15 | Paid-up equity share capital (Face value of each share ₹ 10/-) | 58961 | 58961 | 55958 | 58961 | 55958 |
| 16 | Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year) | 814784 | 788160 | 788160 | 814784 | 788160 |
| 17 | Analytical Ratios | | | | | |
| | (i) Percentage of shares held by Government of India | 60.14 | 60.14 | 58.00 | 60.14 | 58.00 |
| | (ii)Capital Adequacy Ratio - BASEL-II (%) | 11.18 | 11.17 | 11.76 | 11.18 | 11.76 |
| | Capital Adequacy Ratio - BASEL-III (%) | 10.78 | 11.04 | N/A | 10.78 | N/A |
| | (iii)Earnings per share in ₹ (* not annualised) | | | | | |
| | Basic and Diluted EPS before/after Extraordinary items (net of tax expense) | *1.49 | *0.81 | *6.16 | 7.67 | 23.04 |
| | (iv) NPA Ratios | | | | | |
| | a. Gross Non Performing Assets | 585760 | 589246 | 371449 | 585760 | 371449 |
| | b. Net Non Performing Assets | 334247 | 365338 | 240918 | 334247 | 240918 |
| | c. % of Gross NPAs | 5.29 | 5.55 | 3.71 | 5.29 | 3.71 |
| | d. % of Net NPAs | 3.11 | 3.65 | 2.45 | 3.11 | 2.45 |
| | (v) Return on Assets (Annualised) (%) | 0.22 | 0.12 | 0.98 | 0.29 | 0.99 |
| 18 | Public Shareholding | | | | | |
| | Number of Shares (in lacs) | 2350 | 2350 | 2350 | 2350 | 2350 |
| | Percentage of Shareholding | 39.86 | 39.86 | 42.00 | 39.86 | 42.00 |
| 19 | Promoters and Promoter Group Shareholding | | | | | |
| | (a) Pledged / Encumbered | | | | | |
| | Number of Shares | NIL | | | | |
| | Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | | | | | |
| | Percentage of Shares (as a % of the total share capital of the Bank) | | | | | |
| | (b) Non-encumbered | | | | | |
| | Number of Shares | 354614903 | 354614903 | 324580364 | 354614903 | 324580364 |
| | Percentage of Shares (as a % of the total shareholding of promoter) | 100 | 100 | 100 | 100 | 100 |
| | Percentage of Shares (as a % of the total share capital of the Bank) | 60.14 | 60.14 | 58.00 | 60.14 | 58.00 |

ANDHRA BANK Central Accounts Dept. H.O., Hyd.

**STATEMENT OF ASSETS & LIABILITIES**

(₹ in Lacs)

| Particulars | As on 31.03.2014 | As on 31.03.2013 |
|---|---|---|
| | AUDITED | |
| **Capital and Liabilities** | | |
| Capital | 58961 | 55958 |
| Reserves and Surplus | 814784 | 788160 |
| Deposits | 14164512 | 12379558 |
| Borrowings | 1318510 | 1111934 |
| Other Liabilities and Provisions | 357326 | 294284 |
| Cash and Balances with Reserve Bank Of India | 701208 | 602214 |
| Balances with Banks and Money at Call and Short Notice | 152654 | 38373 |
| Investments | 4535662 | 3763239 |
| Advances (net) | 10764420 | 9837330 |
| Fixed Assets | 43393 | 30348 |
| Other Assets | 446658 | 358390 |
| **Total** | **16734093** | **14629894** |

**SEGMENT REPORT**

**Part A: Business Segments**

(₹ in Lakhs)

| | Particulars | QUARTER ENDED | | | YEAR ENDED | |
|---|---|---|---|---|---|---|
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| | | AUDITED | REVIEWED | AUDITED | AUDITED | |
| 1 | **Segment Revenue** | | | | | |
| | (a) Treasury | 104817 | 89680 | 82808 | 368066 | 279500 |
| | (b) Corporate/Wholesale Banking | 117107 | 165607 | 157571 | 626865 | 630372 |
| | (c) Retail Banking | 149046 | 105033 | 115009 | 467608 | 376865 |
| | (d) Other Banking Operations | 34819 | 29734 | 15918 | 100477 | 108974 |
| | Total | 405789 | 390054 | 371306 | 1563016 | 1395711 |
| | Less: Inter Segment Revenue | - | - | - | - | - |
| | **Income from Operations** | **405789** | **390054** | **371306** | **1563016** | **1395711** |
| | | | | | | |
| 2 | **Segment Results** | | | | | |
| | (a) Treasury | 21536 | 12037 | 15986 | 64999 | 55416 |
| | (b) Corporate/Wholesale Banking | 26542 | 21850 | 30202 | 110703 | 124982 |
| | (c) Retail Banking | 29982 | 13935 | 22227 | 82578 | 74720 |
| | (d) Other Banking Operations | 6905 | 4335 | 2950 | 17744 | 21605 |
| | **Total** | **84965** | **52157** | **71365** | **276024** | **276723** |
| | Less : Other Un-allocable Expenditure | 71142 | 42800 | 36513 | 202651 | 99616 |
| | **Total Profit Before Tax** | **13823** | **9357** | **34852** | **73373** | **177107** |
| | Income tax and other taxes paid | 5015 | 4800 | 394 | 29818 | 48194 |
| | **Net Profit** | **8808** | **4557** | **34458** | **43558** | **128913** |
| 3 | **Segment Assets** | | | | | |
| | (a) Treasury | 4535662 | 4481727 | 3763240 | 4535662 | 3763240 |
| | (b) Corporate/Wholesale Banking | 6832106 | 6192448 | 6419544 | 6832106 | 6419544 |
| | (c) Retail Banking | 3834704 | 3563991 | 3302084 | 3834704 | 3302084 |
| | (d) Other Banking Business | 97610 | 239332 | 115702 | 97610 | 115702 |
| | (e) Unallocable Assets | 1434011 | 1116628 | 1029324 | 1434011 | 1029324 |
| | **Total Assets** | **16734093** | **15594126** | **14629894** | **16734093** | **14629894** |
| 4 | **Segment liabilities** | | | | | |
| | (a) Treasury | 206707 | 286466 | 292053 | 206707 | 292053 |
| | (b) Corporate/Wholesale Banking | 6610594 | 4227116 | 4446545 | 6610594 | 4446545 |
| | (c) Retail Banking | 7447722 | 6927798 | 6320653 | 7447722 | 6320653 |
| | (d) Other Banking Operations | 126197 | 2015055 | 1612360 | 126197 | 1612360 |
| | e) Unallocable Liabilities | 1469128 | 1265167 | 1114165 | 1469128 | 1114165 |
| | **Total** | **15860348** | **14721602** | **13785776** | **15860348** | **13785776** |
| | Capital & Reserves | 873745 | 872524 | 844118 | 873745 | 844118 |
| | **Total Liabilities** | **16734093** | **15594126** | **14629894** | **16734093** | **14629894** |

ANDHRA BANK ★ आन्ध्रा बैंक ★ के.से. विभाग Central Accounts Dept. प्र.का.का., M.O., Hyd.

**Notes forming part of the Statement of Audited Financial Results:**

1) The Bank has followed the same Accounting Policies in preparation of this financial results as were followed in the Annual Financial Statements for the year ended 31st March 2013.The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.

2) 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 09.05.2014 duly audited 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.

3) The financial results have been arrived at after considering provisions for standard assets, non performing assets, diminution in fair value of restructured accounts, depreciation on investment made on the basis of prudential norms issued by Reserve Bank of India and other usual necessary provisions. Provision for pension, gratuity and leave encashment has been made as per actuarial valuation.

4) The employees' cost for the year ended 31.03.2014 includes an amount of ₹ 126.66 crores (previous year ₹ 126.66 crores and ₹ 31.65 crores for the corresponding quarter) towards amortization of expenditure relating to second option for pension for serving employees and enhancement in ceiling of Gratuity, as per the guidelines of Reserve Bank of India vide circular no. DBOD.BP.BC.80/2104.018/2010-11 dated 9th February 2011, and the balance amount of ₹ 126.67 crores has been carried forward.

5) Provision of ₹ 99.75 crores has been made during the year towards wage revision arrears effective from 1st November 2012, pending negotiation.

6) In terms of RBI circular no. DBOD.No.BP.BC.77/21.04.018/2013-14 dated December 20, 2013, the Bank has created deferred tax liability on outstanding balance of Special Reserve made under Section 36(1)(viii) of the Income Tax Act, 1961 as on March 31, 2013 to the tune of Rs. 263.42 crores out of revenue reserve.

7) During the year, the Bank allotted 300,34,539 equity shares of ₹ 10 each at a premium of ₹ 56.59 per share to Government of India by way of preferential allotment of equity shares in respect of capital funds received to the tune of ₹ 200 crores approximately . As a result, during the year, equity capital of the Bank increased by ₹ 30.03 crores to ₹ 589.61 crores and share premium by ₹ 169.97 crores to ₹ 1948.39 crores. As a result percentage of shares held by Government of India increased to 60.14% from 58.00%.

8) The Bank's operations are classified into four primary segments i.e. Treasury, Corporate/Wholesale Banking, Retail Banking and Others. Bank operates only in domestic geographic segment.

9) Bank has declared an Interim Dividend of ₹ 1.10 per share (i.e. 11%) and paid on 31.01.2014.

10) Provision Coverage Ratio stands at 52.55% as on 31st March, 2014.

11) Status of Investor Complaints : No Investor complaints were pending as on 31st December, 2013. Complaints received and disposed off during the quarter : 11. Pending as on 31st March, 2014 : Nil.

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

**Hyderabad**
**09.05.2014**

**S.K.KALRA**
**EXECUTIVE DIRECTOR**

**C.VEERAJENDRAN**
**CHAIRMAN & MANAGING DIRECTOR**

ANDHRA BANK
Central Accounts Dept.
H.O., Hyd.