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.176/502

Dt: 09.02.2017

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 December 31, 2016

Please find enclosed a copy of Financial Highlights of the bank for the quarter ended December 31, 2016.

Yours Faithfully,

(Y. Amarnath)
Company Secretary

Encl: As Above

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

Andhra Bank
Where India Banks

PRESS RELEASE 09.02.2017
DECEMBER'16 QUARTER

PERFORMANCE HIGHLIGHTS

Business Performance – Growth in Key Parameters (Dec'15 - Dec'16)

- **Business** grew by **8.8%** - from **Rs. 3,05,770 Cr** to **Rs. 3,32,630 Cr.**
- **Total Deposits** grew by **12.2 %** - from **Rs. 1,69,799 Cr** to **Rs. 1,90,506 Cr.**
- **CASA** Deposits grew by **29.5 %** - from **Rs. 46,156 Cr** to **Rs. 59,761 Cr.**
- **Retail Term Deposits** grew by **14.7%** - from **Rs. 61,881 Cr** to **Rs. 71,002 Cr.**
- **Advances** grew by 4.5 % - from **Rs. 1,35,971 Cr.** to **Rs. 1,42 124 Cr.**
- **Retail Credit** grew by 13.5% - from **Rs. 22,957 Cr.** to **Rs. 26,060 Cr.**
- **Agricultural Credit** grew by **5.1%-** from **Rs. 24411 Cr** to **Rs. 25,657 Cr.**
- **MSME Advances** grew by 9.0% **-** from **Rs. 23,702 Cr** to **Rs. 25,835 Cr.**
- **Priority Sector** Advances grew by 7.0 **%** - from **Rs. 54,450 Cr.** to **Rs. 58,288 Cr.**
- **CASA Ratio** stood at **31.6%** (Dec'16) as compared to **27.2%** (Dec'15)
- **Net NPA ratio** is **6.98%** (Dec'16) as compared to **3.89%** (Dec'15)
- **Gross NPA ratio** is **11.88%** (Dec'16) as compared to **7.00%** (Dec'15)

PROGRESS AT A GLANCE **(Rs. in Crore)**

Parameter	Mar'16	Dec'15	Dec'16	Abs. Gr	y-o-y %
Current Deposits	7482	9595	8593	-1002	-10.4%
Savings Bank Deposits	37924	36561	51168	14607	40.0%
CASA Deposits (excl bank deposits)	45405	46156	59761	13605	29.5%
Term Deposits	128828	123595	130404	6809	5.5%
Aggregate Deposits	**174233**	**169751**	**190166**	**20414**	**12.0%**
Total Deposits	**174302**	**169799**	**190506**	**20707**	**12.2%**
Gross Advances	**136371**	**135971**	**142124**	**6153**	**4.5%**
Priority Sector	54545	54450	58288	3838	7.0%
Agriculture	24679	24411	25657	1246	5.1%
MSME	23278	23702	25835	2133	9.0%
Retail Credit incl DL & CCD	24428	22957	26060	3103	13.5%
Mid & Large Corp. & Others	63986	64901	64572	-329	-0.5%
Total Business	**310673**	**305770**	**332630**	**26860**	**8.8%**
CASA % (incl CD/ bank dep.)	26.08%	27.2%	31.6%		
CD Ratio	78.3%	80.1%	74.7%		

Income & Profitability – Period End Dec'16 (9 Months) 2016-17

- Total Income grew by 5.9% on y-o-y basis - from **Rs. 14075 Cr.** to **Rs. 14911 Cr.**
- Interest Income grew by **2.1 %** on y-o-y basis - from **Rs. 12983 Cr.** to **Rs. 13253 Cr.**
- Non Interest Income grew by **51.8%** on y-o-y basis - from **Rs. 1092 Cr.** to **Rs. 1658 Cr.**
- Operating Profit grew by **6.0%** on y-o-y basis -from **Rs. 2787 Cr.** to **Rs. 2954 Cr.**
- Net Profit stood at **Rs. 139 Cr (Dec'16)** as compared to **Rs. 488 Cr (Dec'15)**

PROFITABILITY (Rs. in Crore)

Sl.	Parameter	Full Year	Quarter Ended			9 Months		
		FY'16	Dec'15	Dec'16	Var. (%)	Dec'15	Dec'16	Var. (%)
1	Interest Income	17635	4422	4409	-0.3%	12983	13253	2.1%
2	Non-Interest Income	1564	379	604	59.4%	1092	1658	51.8%
3	Total Income	19199	4801	5013	4.4%	14075	14911	5.9%
4	Interest Expenses	12314	3060	3191	4.3%	9162	9407	2.7%
5	Operating Expenses	2925	712	911	27.9%	2127	2551	19.9%
6	Total Expenses	15239	3772	4102	8.7%	11289	11958	5.9%
7	**Operating Profit**	**3960**	**1029**	**910**	**-11.6%**	**2787**	**2954**	**6.0%**
8	Provisions & Contingencies	3420	995	853	-14.3%	2298	2814	22.5%
9	**Net Profit**	**540**	**34**	**57**	**67.6%**	**488**	**139**	**-71.5%**
10	**Net Interest Income**	**5321**	**1362**	**1218**	**-10.6%**	**3821**	**3847**	**0.7%**

IMPORTANT RATIOS

	Full Year	Quarter Ended		9 Months	
Parameter	FY'16	Dec'15	Dec'16	Dec'15	Dec'16
Net Interest Margin (NIM) (%)	3.18%	3.24%	2.66%	3.11%	2.89%
Return on Assets (%)	0.28%	0.07%	0.10%	0.35%	0.09%
Cost of Deposits (%)	7.18%	7.06%	6.32%	7.26%	6.54%
Cost of Funds (%)	6.46%	6.36%	5.77%	6.53%	5.91%
Yield on Advances (%)	10.71%	10.72%	9.38%	10.83%	9.74%
Yield on Investments (%)	8.05%	8.05%	7.84%	8.04%	7.88%
Yield on Funds (%)	9.25%	9.19%	7.97%	9.26%	8.33%
Cost to Income Ratio (%)	42.49%	40.82%	50.04%	43.27%	46.34%
Provision Coverage Ratio (%)	56.89%	57.88%	52.12%	57.88%	52.12%
CRAR (Basel III) (%)	11.58%	10.92%	11.36%	10.92%	11.36%
EPS (Annualized) (Rs)	8.60	2.11	3.33	10.51	2.72
Book Value (Rs)	150.68	155.76	153.65	155.76	153.65

ASSET QUALITY

Parameter	Amt. Rs. in Cr	%
Gross NPA	16888.34	11.88%
Net NPA	9382.38	6.98%
Restructured Standard Advances as % to GBC	8357.83	5.88%

New Initiatives and Other Highlights

Asset Quality:

- The Gross NPA of the Bank stood at Rs. 16888 Cr. (GNPA ratio 11.88%) for Dec'16 as compared to Rs. 9520.92 Cr. (GNPA ratio 7.00%) for Dec'15
- The Net NPA of the Bank stood at Rs. 9382 Cr. (NNPA ratio 6.98%) for Dec'16 as compared to Rs. 5102.81 Cr. (NNPA 3.89%) for Dec'15
- The Provision Coverage Ratio of the Bank stood at 52.12% (Dec'16) as compared to 57.88% (Dec'15)

Network Expansion:

- The bank has 2872 number of branches (Rural: 735, SU: 762, Urban: 656 and Metro: 719) and 3764 number of ATMs/BNAs/CRs.
- In the current financial year, the bank has opened 69 branches till 31.12.2016 taking the total number of delivery channels of the Bank to at 6674.

Priority Sector Advances :

- Priority Sector advances of the bank stood at Rs.58288 Crore at the end of Dec. 2016 registering a growth rate of 7.05% (y-o-y).
- Total Priority sector advances constitute about 41.55 % of Adjusted Net Bank Credit as on 31.12.2016 against the norm of 40%.
- Agricultural advances (Agri-Priority) of the bank stood at Rs.24, 892 Cr. at the end of Dec. 2016, registering a growth rate of 3.85% (y-o-y).

Statutory Norms – Achievements position as on 31.12.2016

- Average quarterly Agri. Advances Stood at 18.75% of ANBC against the norm of 18%
- Advances to Weaker sections stood at 11.07% of ANBC against the norm of 10%
- Credit to Women beneficiaries stood at 12.01% of ANBC against the norm of 5%
- Credit to Small & Marginal Farmers stood at 9.45% of ANBC against the norm of 8%
- Credit to Minority Communities stood at 8.93% of Priority Sector Advances as against the target of 15%
- Direct lending to Non-corporates under Agriculture stood at13.63% as against the norm of 11.70%.
- Bank has extended financial assistance to 231359 Self Help Groups (SHGs) with total exposure of Rs.4694 Crore as on 31.12.2016.

MSME Credit:

- The segment has registered a growth of 9.00 % on YOY basis.
- During the current year, 73266 MUDRA loans are sanctioned and an amount of Rs. 852.21 Cr.is disbursed.
- Under Stand Up India Scheme, 1470 applications were sanctioned with an aggregate limit of Rs. 241.09 crores.

Retail Credit:

- The Bank's Retail Credit portfolio registered a growth of 13.51% y-o-y and stood at Rs. 26,060 crores as on 31.12.2016.
- Housing loans portfolio registered a growth of 19.09% y-o-y and stood at Rs.13,224 Cr as on 31.12.2016.

- Vehicle Loans portfolio registered a growth of 28.35% y-o-y and stood at Rs. 1237 Cr as on 31.12.2016.
- Educational loans portfolio registered a growth of 14.28% y-o-y and stood at Rs. 2429 Cr. as on 31.12.2016.
- Property Loans (Loan against property) portfolio registered a growth of 194% y-o-y and stood at Rs. 2075 Cr as on 31.12.2016.

IT Initiatives & Achievements: The following customer centric IT initiatives introduced by the Bank in this quarter

- Internet Banking setup Upgraded to Windows 2012
- USSD through UPI: Customers can avail all the USSD services under UPI using *99#.
- The facility to pull CIBIL - Commercial Credit Information Reports (CIRs) using Address or DUNS number was implemented in LAPS module
- PANSEED Menu has been provided for seeding of PAN to customer id.

Financial Inclusion : As on 31.12.2016,

- **PMJDY** : the Total number of PMJDY accounts stood at 23.73 Lakh and the outstanding balance in these accounts is at Rs. 415.37 Cr.
- **Atal Pension Yojana (APY):** 2.41 Lakh customers have been brought under APY scheme. Andhra Bank is the consistent performer in APY with highest average branch participation of 40 enrollments per branch which is highest among all Banks.
- **Social Security Schemes (PMSBY and PMJJBY):** Bank has enrolled 38.00% of the potential customers against the target of 20.00% given by DFS, MOF.
- **Pradhan Mantri Suraksha Bima Yojana (PMSBY):** 67.19 lakh customers are enrolled till December 2016 of which 9,211 are fresh enrolments during the third quarter.
- **Pradhan Mantri Jeevan Jyothi Bima Yojana (PMJJBY)**: 6.92 lakh customers are enrolled under the scheme till December 2016 and of these 7, 514 are fresh enrollments during the quarter.
- **New Initiatives under Financial Inclusion**: Cashless Aadhaar enabled Public Distribution System (AePDS) was introduced and is successfully being implemented in five Districts of Andhra Pradesh such as Krishna, East Godavari, West Godavari, Srikakulam and Guntur.

New Products:

The Bank has launched the following new products:

- **"AB Subh Yatra"-** Holiday Savings Account in association with M/s Thomas Cook India Ltd.
- **"AB Health Plus" -** Premium Health insurance product" in association with M/s Cigna TTK.

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