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

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.77/244

Dt: 04.08.2017

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

SYMBOL: ANDHRABANK

Dear Sir,

Sub: Submission of Unaudited (Reviewed) Financial Results of the Bank along with the Limited Review Report on the Results for the Quarter ended June 30, 2017 – Compliance to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Our letter no. 666/25/P.30/224 dated 25.07.2017

In compliance to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Unaudited (Reviewed) Financial Results of the Bank along with the Segment Reporting and Limited Review Report for the quarter ended June 30, 2017. The same has been approved by the Board of Directors of the Bank at its meeting held on Friday, August 04, 2017.

We request you to take the same on record and disseminate on your website.

The meeting of the Board of Directors commenced at 11|30 AM and concluded at 2|15 PM

Yours Faithfully,

(Y. Amarnath)
Company Secretary

Encl: as above

Andhra Bank M. B. Division HYD

ANDHRA BANK
:: HYDERABAD::

UNAUDITED (REVIEWED) FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

(₹ In Lacs)

Sl.No.	PARTICULARS	QUARTER ENDED			YEAR ENDED
		30.06.2017	31.03.2017	30.06.2016	31.03.2017
		REVIEWED	AUDITED	REVIEWED	AUDITED
1	**Interest Earned (a) + (b) + (c) + (d)**	**440196**	**477409**	**437197**	**1802742**
	(a) Interest / Discount on Advances / Bills	324319	353130	333632	1359771
	(b) Income on investments	101696	115889	99032	423006
	(c) Interest on balances with Reserve Bank of India and Other inter bank funds	9670	2806	3849	10939
	(d) Others	4511	5584	684	9026
2	**Other Income**	**75325**	**65060**	**48353**	**230830**
3	**Total Income (1+2)**	**515521**	**542469**	**485550**	**2033672**
4	**Interest Expended**	**296101**	**308903**	**310280**	**1249578**
5	**Operating Expenses (i)+(ii)**	**82467**	**90121**	**75284**	**345199**
	(i) Employees cost	48365	53010	43849	209678
	(ii) Other Operating expenses	34102	37111	31435	135521
6	**Total Expenditure (Excluding Provisions & Contingencies) (4+5)**	**378568**	**399024**	**385564**	**1594777**
7	**Operating Profit (Before Provisions & Contingencies) (3-6)**	**136953**	**143445**	**99986**	**438795**
8	Provisions (other than tax) and Contingencies	130111	129933	94377	402862
9	Exceptional Items	-	-	-	-
10	Profit (+) / Loss (-) from ordinary activities before tax (7-8-9)	6842	13512	5609	35933
11	Tax expense	2800	10000	2500	18500
12	Net Profit (+) / Loss (-) from ordinary activities after tax (10-11)	4042	3512	3109	17433
13	Extraordinary items (net of tax expense)	-	-	-	-
14	**Net Profit (+) / Loss (-) for the period (12-13)**	**4042**	**3512**	**3109**	**17433**
15	Paid-up equity share capital (Face value of each share ₹ 10/-)	68116	68116	68116	68116
16	Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)	983577	983577	962292	983577
17	Analytical Ratios				
	(i) Percentage of shares held by Government of India	61.26	61.26	61.26	61.26
	(ii)Capital Adequacy Ratio - BASEL-II (%)	12.17	12.69	12.12	12.69
	Capital Adequacy Ratio - BASEL-III (%)	11.98	12.38	11.94	12.38
	(iii)Earnings per share in ₹				
	a) Basic and Diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year (not annualised)	0.59	0.52	0.46	2.56
	b) Basic and Diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualised)	0.59	0.52	0.46	2.56
	(iv) NPA Ratios				
	a. Gross Non Performing Assets	1942804	1766998	1413727	1766998
	b. Net Non Performing Assets	1112024	1035481	814741	1035481
	c. % of Gross NPAs	13.33	12.25	10.30	12.25
	d. % of Net NPAs	8.09	7.57	6.21	7.57
	(v) Return on Assets (Annualised) (%)	0.07	0.06	0.06	0.08



SEGMENT REPORT

Part A: Business Segments (₹ In Lacs)

	Particulars	QUARTER ENDED			YEAR ENDED
		30.06.2017	31.03.2017	30.06.2016	31.03.2017
		REVIEWED	AUDITED	REVIEWED	AUDITED
1	**Segment Revenue**				
	(a) Treasury	144042	140893	121922	523241
	(b) Corporate/Wholesale Banking	155419	149971	176678	671466
	(c) Retail Banking	164429	168486	143475	623062
	(d) Other Banking Operations	51631	83119	43475	215803
	Total	515521	542469	485550	2033572
	Less: Inter Segment Revenue	-	-	-	-
	Income from Operations	**515521**	**542469**	**485550**	**2033572**
2	**Segment Results**				
	(a) Treasury	38266	37170	25106	112903
	(b) Corporate/Wholesale Banking	41288	41591	36382	144886
	(c) Retail Banking	43682	44402	29545	134442
	(d) Other Banking Operations	13717	20282	8953	46564
	Total	**136953**	**143445**	**99986**	**438795**
	Less : Other Un-allocable Expenditure	130111	129933	94377	402862
	Total Profit Before Tax	**6842**	**13512**	**5609**	**35933**
	Income tax and other taxes paid	2800	10000	2500	18500
	Net Profit	**4042**	**3512**	**3109**	**17433**
3	**Capital Employed**				
	(a) Treasury	205782	197096	189357	197096
	(b) Corporate/Wholesale Banking	213367	287068	282979	287068
	(c) Retail Banking	264754	283831	242121	283831
	(d) Other Banking Operations	98647	113761	77933	113761
	(e) Unallocated	358302	254908	311701	254908
	Total	**1140852**	**1136664**	**1104091**	**1136664**

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

Notes:

1) The financial results for the quarter ended 30th June, 2017 have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their meeting held on 04th August, 2017. The same have been subjected to a limited review by the Statutory Central Auditors of the Bank.

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, 2017.

3) The working results for the quarter ended 30th June, 2017 have been arrived at after considering provisions for Non-Performing Advances, Non-Performing Investments, Standard Advances, Restructured Advances, Provision for exposure to entities with unhedged Foreign Currency Exposure and Depreciation on Investments and on Fixed Assets. All other usual and necessary provisions including Gratuity, Pension, Leave encashment and other long term employee benefits, taxation have been made on an estimated basis and are subject to adjustments, if any, at the year end. Deferred tax liability/asset is being reckoned on Annual basis.

4) In accordance with the RBI guidelines, during the quarter ended 30th June, 2017, Bank has shifted the Central Government Securities with a book value of ₹ 7172.87 crore and State Government Securities with a book value of ₹ 996.49 crore from HTM to AFS category. Further, Bank has shifted from AFS to HTM category, the Central Government Securities with a book value of ₹ 2509.38 crore after charging a shifting loss of ₹ 73.12 crore and State Government Securities with a book value of ₹ 5237.42 crore after charging a shifting loss of ₹ 12.15 crore. Venture Capital Fund for an amount of ₹ 32.84 crore has been shifted from HTM to AFS category after providing a depreciation of ₹ 0.17 crore.



5) Pursuant to RBI Circular No. DBR.No.BP.BC.34/21.04.132/2016-17 dated 10th November, 2016 on "Schemes for Stressed Assets - Revisions", during the quarter ended 30th June, 2017, in respect of Standard Facilities under Strategic Debt Restructuring (SDR) and Scheme for Sustainable Structuring of Stressed Assets (S4A), the Bank has not recognized unrealised interest of ₹ 69.62 crore on accrual basis for the quarter ended 30th June, 2017. Further such unrealised interest up to 30th June, 2017 amounts to ₹ 196.99 crore.

6) 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' requires banks 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 http://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.

7) Bank has received Capital Fund of ₹ 1100 crore from Government of India on 31st March, 2017 as Share Application Money account. Issue/allotment of Shares against the same is still in process as on 30th June, 2017. This fund has been treated as part of Common Equity Tier–I (CET-I) Capital for the quarter ended 30th June, 2017 as suggested by RBI vide it's letter dated 30th March, 2017.

8) Status of Investor Complaints : No Investor complaints were pending as on 31st March, 2017. Complaints received and disposed off during the quarter : Nil. Pending as on 30th June, 2017 : Nil.

9) The provision Coverage Ratio as on 30th June, 2017 is 51.73%.

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

AJIT KUMAR RATH **EXECUTIVE DIRECTOR**	**S.K.KALRA** **EXECUTIVE DIRECTOR**	**SURESH N PATEL** **MANAGING DIRECTOR &** **CHIEF EXECUTIVE OFFICER**

Place: Hyderabad
Date: 04.08.2017

PREM GUPTA & CO.
Chartered Accountants
New Delhi

BASHA & NARASIMHAN
Chartered Accountants
Visakhapatnam

V. KRISHNAN & CO.
Chartered Accountants
Vellore

SAGAR & ASSOCIATES
Chartered Accountants
Hyderabad

LIMITED REVIEW REPORT

The Board of Directors,
Andhra Bank,
Hyderabad.

1. We have reviewed the accompanying statement of unaudited financial results of Andhra Bank ("the Bank") for the Quarter ended June 30, 2017. The disclosures relating to Pillar 3 under Basel III Capital Regulations, Leverage Ratio and Liquidity Coverage Ratio have been disclosed on the Bank's website have not been reviewed by us. This statement of unaudited financial results 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 in accordance with the Standard on Review Engagement (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 the Bank personnel for financial and accounting matter 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. In the conduct of our review, we have reviewed 20 Branches, Investment & International Banking Division, Mumbai and Certain specific 170 borrower accounts and un-reviewed returns in respect of 36 Zonal Offices and 2888 branches, and relied on the review reports in respect of non-performing assets received from the concurrent auditors of 552 branches, inspections teams of the Bank of Nil branches and Nil number of branches reviewed by other auditors specifically appointed for this purpose. These review reports cover 50.36% of the advances portfolio of the Bank and 85.30% of non performing assets of the Bank as on 30th June, 2017. Apart from these

review reports, in the conduct of our review, we have also relied upon various returns received from the branches / zonal offices of the Bank and generated through centralized database at the Bank's Head Office.

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 there on, 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 read with RBI circular RBI/2016-17/29 Ref.DBS.ARS.No.BC.2/08.91.001/2016-17 dated 28/07/2016 with respect to quarterly review of accounts of Public Sector Banks 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 the Reserve Bank of India in respect of Income recognition, asset classification, provisioning and other related matters.

Statutory Central Auditors

For Prem Gupta & Co Chartered Accountants FR No. 000425N (CA Prem Behari Gupta) Partner M.No. 080245	For Basha & Narasimhan Chartered Accountants FR No: 006031S (CA C.Shunmugasundaram) Partner M.No. 222455
For V. Krishnan & Co. Chartered Accountants FR No: 001541S (CA J. Sivakumar) Partner M.No. 217774	For Sagar & Associates Chartered Accountants FR No. 003510S (CA Ajay Kumar Mishra) Partner M.No. 205468

Station : Hyderabad
Date : 04th August 2017

NOTES FORMING PART OF THE REVIEWED / UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017

1. The financial results for the quarter ended 30th June, 2017 have been reviewed by the Audit Committee of Board and approved by the Board of Directors in their meeting held on 04th August, 2017. The same have been subjected to a limited review by the Statutory Central Auditors of the Bank.

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, 2017.

3. The working results for the quarter ended 30th June, 2017 have been arrived at after considering provisions for Non-Performing Advances, Non-Performing Investments, Standard Advances, Restructured Advances, Provision for exposure to entities with unhedged Foreign Currency Exposure and Depreciation on Investments and on Fixed Assets. All other usual and necessary provisions including Gratuity, Pension, Leave encashment and other long term employee benefits, taxation have been made on an estimated basis and are subject to adjustments, if any, at the year end. Deferred tax liability/asset is being reckoned on Annual basis.

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5. Pursuant to RBI Circular No. DBR.No.BP.BC.34/21.04.132/2016-17 dated 10th November, 2016 on "Schemes for Stressed Assets - Revisions", during the quarter ended 30th June, 2017, in respect of Standard Facilities under Strategic Debt Restructuring (SDR) and Scheme for Sustainable Structuring of Stressed Assets (S4A), the Bank has not recognized unrealised interest of ₹ 69.62 crore on accrual basis for the quarter ended 30th June, 2017. Further such unrealised interest up to 30th June, 2017 amounts to ₹ 196.99 crore.

6. 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' requires banks 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 http://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.

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8. Details of Investors' complaints for the quarter ended 30th June, 2017:

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

PREM GUPTA & CO. Chartered Accountants FRN No. 000125N New Delhi

V. Krishnan & Co. Chartered Accountants FRN-001541S Vellore

Basha & Narasimhan Chartered Accountants FRN-006031S Visakhapatnam

Sagar & Associates Chartered Accountants FRN-003510S Hyderabad

9. The Provision Coverage Ratio as on 30th June, 2017 is 51.73%.

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

AJIT KUMAR RATH
EXECUTIVE DIRECTOR

S.K.KALRA
EXECUTIVE DIRECTOR

SURESH N PATEL
MANAGING DIRECTOR &
CHIEF EXECUTIVE OFFICER

G.SIVAKUMAR
DIRECTOR

B.SATYANARAYANA RAO
ASSISTANT GENERAL MANAGER

K.RAYAR
GENERAL MANAGER & CHIEF FINANCIAL OFFICER

FOR PREM GUPTA & CO.
CHARTERED ACCOUNTANTS
FRN:000425N

(CA PREM BEHARI GUPTA)
PARTNER (M.NO. 080245)

FOR BASHA & NARASIMHAN
CHARTERED ACCOUNTANTS
FRN:006031S

(CA C.SHUNMUGASUNDARAM)
PARTNER (M.NO. 222455)

FOR V.KRISHNAN & CO.
CHARTERED ACCOUNTANTS
FRN:001541S

(CA J. SIVAKUMAR)
PARTNER (M.NO. 217774)

FOR SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:003510S

(CA AJAY KUMAR MISHRA)
PARTNER (M.NO. 205468)

Place: Hyderabad
Date: 04-08-2017