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.30/114

Dt: 16.05.2017

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: Performance Highlights for the Quarter/Financial Year ended March 31, 2017 – Press Release dated May 16, 2017

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a copy of Performance Highlights for the Quarter/ Financial Year ended March 31, 2017 provided to the Institutional Investors at their meeting scheduled to be held on May 17, 2017, for your information. The said presentation is hosted on the website of the Bank www.andhrabank.in

Yours Faithfully,
FOR

(Y. Amarnath)
Company Secretary

Encl: as above

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

Andhra Bank
Where India Banks

PRESS RELEASE 16.05.2017
MARCH'17 QUARTER

PERFORMANCE HIGHLIGHTS

Business Performance – Growth in Key Parameters (Mar'16 – Mar'17)

- **Business** grew by 9.3**%** - from **Rs. 310673 Cr** to **Rs. 339673 Cr.**
- **Total Deposits** grew by 12.1 **%** - from **Rs. 174302 Cr** to **Rs. 195441 Cr.**
- **CASA** Deposits grew by 26.1**%** - from **Rs. 45405 Cr** to **Rs. 57257 Cr.**
- **Advances** grew by 5.8 **%** - from **Rs. 136371 Cr.** to **Rs. 144232 Cr.**
- **Retail Credit** grew by 12.7**%** - from **Rs. 24428 Cr.** to **Rs. 27541 Cr.**
- **Agricultural Credit** grew by **11.7%-** from **Rs. 24679 Cr** to **Rs. 27573 Cr.**
- **MSME Advances** grew by 17**% -** from **Rs. 23302 Cr** to **Rs. 27260 Cr**.
- **Priority Sector** Advances grew by 13.1 **%** - from **Rs. 54545 Cr**. to **Rs. 61690 Cr.**
- **CASA Ratio** stood at 29.3**%** (Mar'17) as compared to 26.1**%** (Mar'16)
- **Net NPA ratio** is 7.57**%** (Mar'17) as compared to 4.61**%** (Mar'16)
- **Gross NPA ratio** is 12.25**%** (Mar'17) as compared to 8.39**%** (Mar'16)

PROGRESS AT A GLANCE (Rs. in Crore)

Parameter	Mar'16	Mar'17	Abs. Gr	y-o-y %
Current Deposits	7482	8602	1120	15.0%
Savings Bank Deposits	37924	48655	10731	28.3%
CASA Deposits (excl bank deposits)	45405	57257	11852	26.1%
Term Deposits	128828	138124	9296	7.2%
Aggregate Deposits	**174233**	**195381**	**21148**	**12.1%**
Total Deposits	**174302**	**195441**	**21139**	**12.1%**
Gross Advances	**136371**	**144232**	**7861**	**5.8%**
Priority Sector	54545	61690	7145	13.1%
Agriculture	24679	27573	2894	11.7%
MSME	23302	27260	3958	17.0%
Retail Credit incl. DL & CCD	24428	27541	3113	12.7%
Mid & Large Corp. & Others	63962	61858	-2104	-3.3%
Total Business	**310673**	**339673**	**29000**	**9.3%**
CASA % (incl. CD/ bank dep.)	26.08%	29.33%		
CD Ratio	78.3%	73.8%		

Income & Profitability – FY 2016-17 (Mar'17)

- Total Income grew by 5.9**%** on y-o-y basis - from **Rs. 19199 Cr**. to **Rs. 20336 Cr.**
- Interest Income grew by 2.2 **%** on y-o-y basis - from **Rs. 17635 Cr.** to **Rs. 18027 Cr.**
- Non Interest Income grew by 47.6**%** on y-o-y basis - from **Rs. 1564 Cr.** to **Rs. 2308 Cr.**
- Operating Profit grew by 10.8**%** on y-o-y basis -from **Rs. 3960 Cr.** to **Rs. 4388 Cr.**
- Net Profit stood at **Rs. 174 Cr (Mar'17)** as compared to **Rs. 540 Cr (Mar'16)**

Sl.	Parameter	Quarter Ended			Full Year		
		Mar'16	Mar'17	Var. (%)	FY-16	FY-17	Var. (%)
1	Interest Income	4652	4774	2.6%	17635	18027	2.2%
2	Non-Interest Income	472	651	37.9%	1564	2308	47.6%
3	Total Income	5124	5425	5.9%	19199	20336	5.9%
4	Interest Expenses	3151	3089	-2.0%	12314	12496	1.5%
5	Operating Expenses	800	901	12.6%	2925	3452	18.0%
6	Total Expenses	3951	3990	1.0%	15239	15948	4.7%
7	**Operating Profit**	**1173**	**1434**	**22.3%**	**3960**	**4388**	**10.8%**
8	Provisions & Contingencies	1122	1399	24.7%	3420	4214	23.2%
9	**Net Profit**	**52**	**35**	**-32.7%**	**540**	**174**	**-67.8%**
10	**Net Interest Income**	**1500**	**1685**	**12.3%**	**5321**	**5532**	**3.9%**

IMPORTANT RATIOS				
	Quarter Ended		Full Year	
Parameter	Mar'16	Mar'17	FY'16	FY'17
Net Interest Margin (NIM) (%)	3.41%	3.59%	3.18%	3.07%
Return on Assets (%)	0.10%	0.06%	0.28%	0.08%
Cost of Deposits (%)	6.97%	6.12%	7.18%	6.43%
Cost of Funds (%)	6.25%	5.51%	6.46%	5.81%
Yield on Advances (%)	10.37%	9.84%	10.71%	9.77%
Yield on Investments (%)	8.00%	7.62%	8.05%	7.77%
Yield on Funds (%)	9.22%	8.52%	9.25%	8.38%
Cost to Income Ratio (%)	40.53%	38.58%	42.49%	44.03%
Provision Coverage Ratio (%)	56.89%	51.03%	56.89%	51.03%
CRAR (Basel III) (%)	11.58%	12.38%	11.58%	12.38%
EPS (Annualized) (Rs)	3.16	2.06	8.60	2.56
Book Value (Rs)	150.68	153.84	150.68	153.84

ASSET QUALITY		
Parameter	**Amt. Rs. in Cr**	**%**
Gross NPA	17669.98	**12.25%**
Net NPA	10354.81	**7.57%**
Restructured Standard Advances as % to GBC	7609.06	**5.28%**

New Initiatives and Other Highlights

Asset Quality:

- The Gross NPA of the Bank stood at Rs. 17669.98 Cr. (GNPA ratio 12.25%) for Mar'17 as compared to Rs. 11443.63 Cr. (GNPA ratio 8.39%) for Mar'16
- The Net NPA of the Bank stood at Rs. 10354.81 Cr. (NNPA ratio 7.57%) for Mar'17 as compared to Rs. 6035.65 Cr. (NNPA 4.61%) for Mar'16
- The Provision Coverage Ratio of the Bank stood at 51.03% (Mar'17) as compared to 56.89% (Mar'16)

Network Expansion:

- The bank has **2908** number of branches (Rural: 745, SU: 770, Urban: 664 and Metro: 729) and 3929 number of ATMs/BNAs/CRs.
- In the current financial year, the bank has opened 105 branches taking the total number of delivery channels of the Bank to **6875**.

Capital Infusion:

- The bank has raised Rs. 1000 Crore through Tier -II bonds.
- The bank has raised Rs. 900 Crore through Tier -I bonds.
- GOI infused capital of Rs. 1100 Cr as share application money.

Priority Sector Advances :

- **Priority Sector advances** of the bank stood at **Rs.61690 Crore** and registered a growth of 13.10**%** (Y-O-Y). The absolute increase over Mar. 2016 is Rs.7144 Crore. Total Priority sector advances net of PSLC (Priority Sector Lending Certificates) is **Rs.59506 Cr** which constitute about 43.49**%** of Adjusted Net Bank Credit (ANBC) as against the norm of 40%. Bank has made net sale of Rs.2184 Cr PSLC General / SF-MF through e-kuber portal of RBI and earned a premium / commission of Rs.36.19 Cr.

- **Agricultural advances (Agri-Priority)** of the bank stood at **Rs.26643 Crore** at the end of Mar. 2017, registering a growth rate of 10.64**%** (Y-O-Y). The absolute increase over Mar. 2016 is Rs.2563 Crore. Agri. Priority advances (after net sale of PSLC SF/MF of Rs.1200 Cr) are at Rs.25443 Cr which constitutes 18.60**%** of as against the norm of 18%.

- **Total Agricultural advances (including non-priority)** of the bank stood at Rs.27573 Cr as against Rs.24679 Cr as on 31.03.2016 and recorded 11.73% growth.

- Direct lending to Non-corporates under Agriculture is R**s.18170 Cr** i.e., 13.28**%** as against the norm of 11.70%.

- NPA under Agriculture is Rs.1157 Cr which is 4.20% of Gross Agril. Advances as against 4.43% during previous year.

MSME Credit:

- The segment has registered a growth of 17 % on YOY basis.
- During the current year, 110261 MUDRA loans are sanctioned and an amount of Rs. 1611.77 Cr is disbursed.
- Under Stand Up India Scheme, 2035 applications were sanctioned with an aggregate limit of Rs. 345.32 crores.

Retail Credit:

1. The Bank's Retail Credit portfolio stood at Rs. 27541 crores as on 31.03.2017 as against Rs.24,429 crores as on 31.03.2016, with year on year growth of Rs.3112 Crs. The segment has registered a growth of 12.74% on YOY basis including deposit loans and credit card.
2. Housing loans portfolio has increased from Rs 11,811 Crs as on 31.03.2016 to Rs.13,870 Crs as on 31.03.2017 with an absolute growth of Rs 2059 crs registering a growth rate of 17.43% on yoy basis.
3. Vehicle Loans portfolio has increased from Rs 1046 Crs as on 31.03.2016 to Rs.1337 Crs as on 31.03.2017 with an absolute growth of Rs 291 crs registering a growth rate of 27.83% on yoy basis.
4. Education loans portfolio has increased from Rs.2234 Crores as on 31.03.2016 to Rs.2469 Crores as on 31.03.2017 with an absolute growth of Rs.234 Crores registering a growth rate of 10.49% on yoy basis.
5. Property Loans (Loan against property) Portfolio has increased from Rs.1027 Crores as on 31.03.2016 to Rs.2692 Crores as on 31.03.2017 with an absolute growth of Rs.1666 Crores registering a growth of 162% on yoy basis.
6. Bank has waived processing charges on Housing Loans and Vehicle Loans during the financial year to have an edge in the market competition..

IT Initiatives & Achievements:

- **Self sign up on Internet Banking:** With the introduction of self-sign up customer can register for Internet Banking facility online using debit card, PIN & OTP. The facility is given to Retail user customers only.
- **Selfie Account Opening: T**hrough **S**elfie account opening app wherein prospective customers can take a selfie and submit request for new account opening by scanning Aadhar QR code and taking a scan of PAN card. The System will display the reference number and instruction to visit opted Branch with Original AADHAAR and PAN card for account opening. The facility was enabled on 28-09-2016.
- **AB eVypar – Merchant Payment App:** AB eVyapar App is developed for Aadhaar enabled payments to merchant by customers. The merchant can select the bank, enter customer's Aadhaar number (or Scan Aadhaar QR code) and the amount in the App and thereafter ask the customer place the finger on biometric device and the transaction will be authorized.
- **AB Subh Yatra - Holiday Saving Plan:** Necessary customization was built in Internet Banking for enabling AB Subh Yatra holiday saving plan. This holiday saving plan is provided in association with M/s Thomas Cook India Limited to enable our customers to avail their Holiday Packages.

Financial Inclusion :

- **PMJDY :** the Total number of PMJDY accounts stood at 24.23 Lakh and the outstanding balance in these accounts is at Rs. 327.10 Cr.
- **Atal Pension Yojana (APY):** During 2016-17, 1,39,223 customers have joined under APY scheme. Andhra Bank is the consistent performer in APY and with average branch participation of 49 enrollments which is highest among all Banks. During this year our bank received best performing bank award amongst all public sector 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):** 67.33 lakh customers are enrolled till March'17 of which 13,171 are fresh enrolments during the quarter.
- **Pradhan Mantri Jeevan Jyothi Bima Yojana (PMJJBY)**: 7.01 lakh customers are enrolled under the scheme till March 2017 and of these 8, 511 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. So far 10,828 FPS dealers are mapped for undertaking cashless AePDS transactions in the five districts of Andhra Pradesh state.

New Products:

Sale of Life Insurance Policies:

- Total Business premium (incl. Retail and group) of Rs.290.10 Cr was mobilized up to 31.03.2017. The Bank has earned commission of Rs.23.07 Crore

Sale of Non-Life Insurance Policies:

- The premium of Rs.122.62 Crore was mobilized up to 31.03.2017. Bank has earned a commission of Rs.14.81 Crore.

Fee Based Income:

- Bank has earned fee based income of Rs.214.34 Crore against the set target of Rs.250Cr.

Awards and Rewards:

- Our Bank has received two prestigious awards from IDRBT in July 2016:-
  - Best Bank for Managing IT Eco System among mid-size banks and
  - Best Bank for Digital Banking among mid-size banks.
- Andhra Bank has been awarded as Best Performing Bank amongst all Public Sector Banks for excellent performance in enrolment of Atal Pension Yojana (APY) Accounts
- Andhra Bank was given National Payment Excellence Award 2016 (Runner up) by NPCI' for excellent performance under Rupay Card in midsize category
- Andhra Bank achieves two Banking Technology Awards of IBA - Awarded winner in 'Best Financial inclusion initiatives under Mid-size banks and 'Best IT Risk and Cyber Security Initiatives (Runner Up) under midsize bank category'.

****