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: Merchant Banking Division
Telefax 040-23230883;Tel.No.040-23252371/2388
E-mail: mbd@andhrabank.co.in

Lr. No. 666/25/P.30/409

Dt: 03.11.2017

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 Press Release of the Bank for the Quarter/ Half Year ended September 30, 2017

We enclose a copy of the Press Release on the Unaudited Financial Results of the Bank for the Quarter/ Half Year ended September 30, 2017.The said Press Release is hosted on the website of the Bank www.andhrabank.in

Yours Faithfully,

Ruchi

(Ruchi R)
Company Secretary

Encl: as above

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

आन्ध्रा बैंक
Andhra Bank
देशवासियों का बैंक Where India Banks

PRESS RELEASE
02.11.2017
SEPTEMBER'17

KEY HIGHLIGHTS - Half Year Ended 30.09.2017

- ✓ Operating Profit increased by 30.40% (YoY)
- ✓ Non-Interest Income increased by 27.36% (YoY)
- ✓ Net-Interest Income increased by 11.91% (YoY)
- ✓ RAM Credit increased by 21.64% (YoY)
- ✓ CASA Deposits increased by 24.9% (YoY)

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

- **Business** grew by **7.8%** - from **Rs. 319163Cr** to **Rs. 344032 Cr.**
- **Total Deposits** grew by **9.5 %** - from **Rs. 177628 Cr** to **Rs. 194578 Cr.**
- **CASA** Deposits grew by **24.9 %** - from **Rs. 48031 Cr** to **Rs. 59988 Cr.**
- **Retail Term Deposits** grew by **10.6%** - from **Rs. 68979 Cr** to **Rs. 76321 Cr.**
- **Advances** grew by **5.6 %** - from **Rs. 141535 Cr.** to **Rs. 149454 Cr.**
- **Retail Advances** grew by **28%** - from **Rs. 25414 Cr.** to **Rs. 32526 Cr.**
- **Agricultural Credit** grew by **10%-** from **Rs. 26065 Cr** to **Rs. 28680 Cr.**
- **MSME Advances** grew by **27.5% -** from **Rs. 24181 Cr** to **Rs.30831 Cr.**
- **Priority Sector** Advances grew by **3.48%** - from **Rs. 57194 Cr.** to **Rs. 59187 Cr.**
- **CASA Ratio** stood at **30.86%** (Sept'17) as compared to **27.06%** (Sept'16)
- **Net NPA ratio** is **7.55%** (Sept'17) as compared to **8.09%** (Jun'17)
- **Gross NPA ratio** is **13.27%** (Sept'17) as compared to **13.33 %** (Jun'17)

PROGRESS AT A GLANCE (Rs. in Crore)

Parameter	Mar'17	Sep'16	Sep'17	Abs. Gr	y-o-y %
Current Deposits	8602	7608	9627	2020	26.54%
Savings Bank Deposits	48655	40423	50361	9938	24.58%
CASA Deposits (excl bank deposits)	57257	48031	59988	11958	24.90%
Term Deposits	138124	129554	134526	4972	3.84%
Aggregate Deposits	**195381**	**177585**	**194515**	**16930**	**9.53%**
Total Deposits	**195441**	**177628**	**194578**	**16950**	**9.54%**
Gross Advances	**144232**	**141535**	**149454**	**7919**	**5.59%**
Priority Sector	61690	57194	59187	1993	3.48%
Agriculture	27573	26065	28680	2615	10.03%
MSME	27260	24181	30831	6649	27.50%
Retail Credit incl DL & CCD	27541	25414	32526	7112	27.98%
Mid & Large Corp. & Others	61858	65875	57417	-8457	-12.84%
Total Business	**339673**	**319163**	**344032**	**24869**	**7.79%**
CASA % (incl CD/ bank dep.)	29.33%	27.06%	30.86%		
CD Ratio	73.80%	79.68%	76.81%		

Income & Profitability – 1st HY 2017-18

- Total Income grew by **2.65%** on y-o-y basis - from **Rs. 9898 Cr.** to **Rs. 10161 Cr.**
- Net Interest Income grew by **11.91 %** on y-o-y basis - from **Rs. 2629 Cr.** to **Rs. 2942 Cr.**
- Non-Interest Income grew by **27.4%** on y-o-y basis - from **Rs. 1053 Cr.** to **Rs. 1341 Cr.**
- Operating Profit grew by **30.40%** on y-o-y basis -from **Rs. 2043 Cr.** to **Rs. 2664 Cr.**

PROFITABILITY (Rs. in Crore)								
Sl	Parameter	Full Year	Quarter Ended			6 Months		
		FY'17	Sep'16	Sep'17	Var. (%)	Sep'16	Sep'17	Var. (%)
1	Interest Income	18027	4473	4417	-1.24%	8845	8819	-0.29%
2	Non-Interest Income	2308	570	588	3.14%	1053	1341	27.36%
3	Total Income	20336	5043	5005	-0.75%	9898	10161	2.65%
4	Interest Expenses	12496	3113	2916	-6.32%	6216	5877	-5.45%
5	Operating Expenses	3452	886	794	-10.37%	1639	1619	-1.23%
6	Total Expenses	15948	3999	3710	-7.22%	7855	7496	-4.57%
7	**Operating Profit**	4388	1043	1295	24.15%	2043	2664	30.40%
8	Provisions & Contingencies	4214	992	1680	69.36%	1961	3009	53.45%
9	**Net Profit**	174	51	-385	-855.16%	83	-345	-515.28%
10	**Net Interest Income**	5532	1359	1501	10.46%	2629	2942	11.91%

IMPORTANT RATIOS					
	Full Year	Quarter Ended		6 Months	
Parameter	FY'17	Sep'16	Sep'17	Sep'16	Sep'17
Net Interest Margin (NIM) (%)	3.07%	3.11%	3.21%	3.01%	3.17%
Return on Assets (%)	0.08%	0.10%	-0.67%	0.08%	-0.30%
Cost of Deposits (%)	6.43%	6.55%	5.62%	6.65%	5.71%
Cost of Funds (%)	5.81%	5.95%	5.11%	5.99%	5.18%
Yield on Advances (%)	9.77%	9.91%	8.85%	9.93%	8.96%
Yield on Investments (%)	7.77%	7.84%	7.45%	7.87%	7.51%
Yield on Funds (%)	8.38%	8.55%	7.74%	8.52%	7.78%
Cost to Income Ratio (%)	44.03%	45.93%	38.01%	44.51%	37.79%
Provision Coverage Ratio (%)	51.03%	50.41%	55.25%	50.41%	55.25%
CRAR (Basel III) (%)	12.38%	12.12%	11.43%	12.12%	11.43%
EPS (annualized) (Rs)	2.56	3.02	-19.26	2.42	-9.31
Book Value (Rs)	153.84	152.48	119.61	152.48	119.61

ASSET QUALITY		
Parameter	Amt. Rs. in Cr	%
Gross NPA	19839	13.27%
Net NPA	10574	7.55%
Restructured Standard Advances as % to GBC	5896	3.95%

Asset Quality:

- The Gross NPA of the Bank stood at Rs. 19839 Cr. (GNPA ratio 13.27%) for Sept'17 as compared to Rs. 16263 Cr. (GNPA ratio 11.49%) for Sept'16.
- The Net NPA of the Bank stood at Rs. 10574 Cr. (NNPA ratio 7.55%) for Sept'17 as compared to Rs.9411 Cr. (NNPA 6.99%) for Sept'16
- The Provision Coverage Ratio of the Bank stood at 55.25% (Sept'17) as compared to 50.41% (Sept'16)

Network Expansion:

- The bank has 2910 number of branches (Rural: 745, SU: 770, Urban: 665 and Metro: 730) and 3981 number of ATMs/BNAs/CRs.
- The total number of delivery channels of the Bank is at 6929.

MSME Credit: MSME portfolio registered a growth of 27.5 % YOY basis from Rs. 24181 Cr to Rs. 30831 Cr

- For the Half year ended 30.09.2017, 68,231 **MUDRA loans** are sanctioned with aggregate total limit of Rs.1373 Cr. and an amount of Rs.1211 Cr. is disbursed.
- Under **Stand Up India** Scheme, up to 30.09.2017, 2075 applications were sanctioned with a limit of Rs. 340 Cr. The cumulative performance since the inception of the scheme is 4045 sanctions with a limit of Rs.671 Cr.

Retail Credit: Retail Credit portfolio registered a growth of 28% YoY from Rs. 25414 Cr to Rs. 32526 Cr.

- **Housing loans** portfolio registered a growth of 25% YoY from Rs.12810 Cr to Rs. 16008 Cr.
- **Vehicle loan** portfolio registered a growth of 35% YoY from Rs.1158 Cr to Rs.1561 Cr.
- **Property Loans** (Loan against property) Portfolio has increased from Rs.1706 Cr (Sep'16) to Rs.3773 Cr (Sep'17)
- Bank has waived processing charges on Housing Loans and Vehicle Loans during the quarter to have an edge in the market competition.

Priority Sector Advances :

- **Total Priority sector advances** net of PSLC (Priority Sector Lending Certificates) is Rs.59187 Cr which constitute 41.94% of Adjusted Net Bank Credit (ANBC) as against the norm of 40%. Bank has made net sale of Rs.5686 Cr PSLC General / SF-MF through e-kuber portal of RBI and earned a premium / commission of Rs.77.29 Cr during HY 2017-18. Of which, Rs 29.88 Cr are earned in the present quarter.
- **Agri. Priority advances** (after net sale of PSLC SF/MF of Rs.1700 Cr) are at Rs.25495 Cr which constitutes 18.06% of as against the norm of 18%.
- **Total Agricultural advances** (including Agri-non-priority) of the bank stood at Rs.28680 Cr as on 30.09.2017 against Rs.26065 Cr as on 30.09.2016 and recorded 10.03 % growth.
- **Advances to Weaker sections** (after net sale of Rs.2200 Cr under PSLC SF/MF) stood at Rs.17203 Crore which constitutes 12.19% of ANBC as against norm of 10%.

- **Credit flow to Women beneficiaries** is Rs.20050 Crore, comprising of 14.21% of ANBC, as against the RBI norm of 5%.
- **Loans to Small & Marginal Farmers** as on 30.09.2017 (after net sale of Rs.2200 Crs under PSLC SF/MF) was Rs.14209 Cr i.e., 10.07% of ANBC as against the statutory norm of 8%.
- **Total credit extended to Minority Communities** stood at Rs.5457 Crore i.e., 9.22% of Priority Sector advances as against the target of 15%.
- Direct lending to Non-corporates under Agriculture is Rs.19802 Cr i.e., 14.03% as against the norm of 11.78%.

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

- **SB account opening with OTP based e-KYC:** As per RBI's amendment to e-KYC guidelines, OTP based e-KYC was introduced and to comply with the same, a new scheme SBGOT has been created in Finacle for account opening using OTP to the registered mobile number with UIDAI through HEKYC menu.
- **Aadhaar Authentication using OTP:** Based on PMLA guidelines issued by KYC AML dept. H.O for Aadhar authentication of customers, facility is enabled in HEKYC menu for Aadhaar authentication of existing/new customers using Biometric/ OTP.

Sale of 3rd Party Products:

- **Sale of Life Insurance Policies:** Total Business Premium (including Retail and Group) of Rs.139.18 Cr was mobilized up to 30th September 2017. Bank has earned commission of Rs.13.11 Cr from sale of Life Insurance Policies.
- **Non-Life Policies:** Total premium of Rs.100.14 Cr was mobilized up to 30th September 2017 Bank has earned commission of Rs.15.59 Cr.
- **Fee Based Income:** Bank has earned fee based income of Rs.112.93 Cr against the set target of Rs.153.00 Cr.

Awards:

- Our bank received the **"Best Bank Award for Electronic Payment Systems"** among Mid-Sized Banks13th IDRBT Banking Technology Excellence Awards.

- Our Bank received **Best Performing Bank** award among the pool of Banks with branches 5000 and below under APY – Transformative Leaders –I campaign announced by PFRDA.

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