



Banking
Simple & Easy
by a Missed Call or a SMS

AB VISA
Signature
Card



ABHIVRUDHI
EASY FINANCE TO
TRADERS & MSE

Up to ₹3 Crore

4782
Delivery Channels

2232
ATMs

Total Business
Crosses

₹2,84,000
Crore

3
Union
Territories

2507
Branches
with
Hi-tech Services

26
States

Pursuit of Prosperity

वार्षिक रिपोर्ट (संक्षिप्त)
Annual Report
(Abridged)
2014 -15



आन्ध्रा बैंक
Andhra Bank

Where India Banks

(A Govt. of India Undertaking)

निदेशक मंडल Board of Directors



श्री सी वीआर राजेन्द्रन
अध्यक्ष एवं प्रबंध निदेशक
Shri C VR Rajendran
Chairman and Managing Director



श्री एस के कालरा
कार्यपालक निदेशक
Shri S K Kalra
Executive Director



श्री अजीत कुमार रथ
कार्यपालक निदेशक
Shri Ajit Kumar Rath
Executive Director



श्री आनन्दराव विष्णु पाटिल
भारत सरकार नामित निदेशक
Shri Anandrao Vishnu Patil
Govt. of India Nominee Director



श्री ई ई कार्तक
भा रि बैं नामित निदेशक
Shri E E Karthak
RBI Nominee Director



श्री ए कृष्णकुमार
निदेशक
Shri A Krishnakumar
Director



श्री जी शिवकुमार
निदेशक
Shri G Sivakumar
Director



श्री के तामरैसेलवन
निदेशक
Shri K Thamaraiselvan
Director



डॉ नैना शर्मा
निदेशक
Dr. Naina Sharma
Director



श्री अमित गोयल
निदेशक
Shri Amit Goel
Director



CONTENTS OF ANNUAL REPORT (Abridged)

• From the Chairman & Managing Director.....	2
• Notice of Annual General Meeting	4
• Directors' Report / Management Discussion and Analysis.....	11
• Corporate Governance Report.....	34
• Balance Sheet.....	73
• Profit and Loss Account.....	75
• Notes on Accounts.....	77
• Auditors' Report.....	96
• Our Progress at a glance.....	97
• Key Performance Ratios.....	98
• Proxy Form.....	99
• Attendance Slip / Entry Pass.....	101

IMPORTANT DATES	
Cut-off date for ascertaining the shareholders entitled to receive the Annual Report including the Notice of Annual General Meeting	Friday, 29th May, 2015
Book Closure – Share Transfer Books will be kept closed for the purpose of 15th Annual General Meeting and payment of dividend	Thursday, July 2, 2015 to Tuesday July 7, 2015
15th Annual General Meeting	Wednesday, July 8, 2015
Cut-off date for ascertaining the shareholders to receive the dividend for FY 2014-15	As at the close of Business Hours on Wednesday, July 1, 2015
Dividend pay-out date	Friday, July 17, 2015
Remote e-Voting	Begins at 10.00 A.M. on 05.07.2015 and ends at 5.00 P.M. on 07.07.2015. Shareholders holding shares either in physical form or in dematerialised form as on the cut-off date, 01.07.2015 may cast their votes electronically.
Last date of receipt of Proxy Forms and / or resolutions appointing Authorised Representatives	Upto 5.00 P.M on Friday, July 3, 2015

लेखा परीक्षक AUDITORS

नाग एण्ड एसोसिएट्स
NAG & ASSOCIATES

प्रेम गुप्ता एण्ड कंपनी
PREM GUPTA & CO

वी. कृष्णन एण्ड कंपनी
V. KRISHNAN & CO

बाशा एण्ड नरसिंहन
BASHA & NARASIMHAN

रजिस्ट्रार व शेयर अंतरण एजेंट Registrar & Share Transfer Agents

मैसर्स एमसीएस शेयर ट्रांसफर एजेंट लि
002, भू-तल, काशीराम जमनादास बिल्डिंग 5,
पी डिमेलो रोड, मस्जिद पूर्व, मुंबई - 400009

M/s. MCS SHARE TRANSFER AGENT LIMITED
002, GROUND FLOOR, KASHIRAM JAMNADAS
BUILDING, 5, P.D'MELLO ROAD,
MASJID EAST, MUMBAI - 400 009.
Ph. No. 022-40206020/22/23/24
Fax No. 022 -40206021



Chairman & Managing Director's Letter to Shareholders



Dear Shareholders,

It gives me immense pleasure to share with you that your Bank crossed yet another milestone during financial year 2014-15 with its total Business surpassing the Rs.2.85 Lakh Crore mark. The past year posed unique challenges and to the industry with slow recovery in the core sectors, which

metamorphosed into a modest growth in the economic activity and consequently the expectations of stakeholders, market and confidence levels of economy are moderated from their high levels witnessed during the course of the year.

The global economic activity recovered during FY 2014-15, albeit, marginally with divergent rates across economies. While most of the Emerging market Economies (EMEs), are experiencing slowdown, the Advanced Economies (AEs) are battling the risks of deflation barring the US. This has resulted in continuation of unconventional monetary policies by the AEs and by EMEs to fight disinflationary/ inflationary conditions respectively. As a consequence, there have been large movements in exchange rates and other asset prices. In sum, the AEs are yet to recover from the after affects of global financial crisis, while the EMEs are confronted with rising negative output gap, falling potential growths, which restricted the revival of global growth in FY 2014-15.

However, it is expected that the global economy will trace on a higher growth trajectory in the coming fiscal in comparison to that of the previous year's, hoping to be comforted with softer commodity prices and rising level of output in the US and Euro area.

The growth in Gross Domestic Product (GDP) during 2014-15 is estimated at 7.4% (y-o-y) as compared to the growth rate of 6.9% in 2013-14, suggesting a revival in the domestic economic activity in 2014-15. However, the divergence between other lead indicators of economic activity and the GDP growth numbers, suggest that the recovery is not broad based.

The role of Agriculture as a sector for fuelling growth momentum during FY 2015-16 seems to be the most crucial, given the dry clouds of a below normal monsoon hovering over the horizon this year.

In the backdrop of optimism for further recovery in growth this year coupled with downside risks to industry and agriculture, a stable investment climate with renewed confidence in the

fundamentals of the economy is quintessential for achieving the much desired results.

The financial year 2015-16 has unfolded itself as an opportunity to revive the growth momentum, and we will strive hard with renewed vigour to work towards placing your Bank amongst the forerunners in the growth process.

The performance highlights of your Bank for the Financial Year 2014-15 are as follows:

- ❖ **Total Business** increased to ₹2,84,588 Crore as on 31.03.2015, from ₹2,52,494 Crore as on 31.03.2014 registering a growth rate of 12.7%.
- ❖ **Total Deposits** increased to ₹1,55,012 Crore from ₹1,41,845 Crore in the previous year, registering a growth rate of 9.3%.
- ❖ **CASA Deposits** increased to ₹42,402 Crore from ₹35,186 Crore, registering a growth rate of 20.5%.
- ❖ **Cost of Deposits** stood at 7.73%.
- ❖ **Gross Bank Credit** increased to ₹1,29,576 Crore from ₹1,10,649 Crore, registering a growth rate of 17.1%.
- ❖ **Credit Deposit Ratio** stood at 83.61% compared to 78.02% during the previous year.
- ❖ **Net Interest Margin** stood at 3.00%.
- ❖ **Non-Interest Income** stood at ₹ 1499 Crore.
- ❖ **Net Profit** for 2014-15 stood at ₹638 Crore.
- ❖ **Gross NPAs to Gross Advances Ratio** stood at 5.31%.
- ❖ **Net NPAs to Net Advances Ratio** reduced from 3.11% to 2.93%.
- ❖ **Capital Adequacy Ratio** stood at 10.63% under BASEL-III.
- ❖ **Return on Average Assets** stood at 0.38%.
- ❖ **Net Profit per Employee** stood at ₹3.45 Lakh.
- ❖ **Average Business per Employee** stood at ₹13.73 Crore.
- ❖ **Network Expansion:** During 2014-15, your Bank opened 395 Branches and added 382 ATMs. As on 31.03.2015, Bank had 4782 Delivery Channels consisting of 2507 Branches, 8 Extension Counters, 35 Satellite Offices and 2232 ATMs.

During FY 2014-15, your Bank has taken the following I.T. initiatives to improve Customer Service:

- ❖ 382 number of new ATMs were installed during this



period, which include 342 Onsite ATMs.

- ❖ Implementation of Two Factor Authentication solution for Internet banking to overcome delay in delivery of OTP (one time password)
- ❖ AB E-Collection Module for collection of Fees and Other Charges – customized for each user.
- ❖ Customized Commercial Tax collection module for the Telangana State government.
- ❖ Introduced the facility of Scheduling of NEFT payments by the internet banking customers
- ❖ Enabled card less cash deposits at BNA to facilitate 3rd party deposits
- ❖ Enabled E-KYC for sourcing of information directly from UIDAI (Aadhar) server for opening of accounts.
- ❖ Enabled Donation modules for HUDHUD Cyclone relief fund, Arasavalli temple – Srikakulam Dist,
- ❖ Enabled foreign inward remittances through IMPS.
- ❖ Provided the facility of e-filing of Income Tax returns through our internet banking facility
- ❖ Launched Cash Recyclers – 1st of its kind in AP & TG.
- ❖ The Bank processed 1.42 Cr DBT record and credit beneficiaries' accounts as on 31.03.2015 which is highest amongst all Banks.
- ❖ Leveraging the strong IT background, the Bank has developed the following IT products/ Services – **In house :**
 - o Bulk Account Opening Utility
 - o Export Data Processing and Management System (EDPMS)

- o PMJDY accounts opening through E-KYC The bank has opened **18.25 lacs of accounts under PMJDY** scheme. The Bank has **opened 6,94,257 number of accounts, which is the highest among all the banks, using online E-KYC service.**
- o Mandate Management System
- o Customized Portal for Rajiv Vidya Mission funds transfer
- o AB e-passbook to maintain passbook on Android Devices.
- o Missed call Balance Inquiry facility

- ❖ The Bank's IT Department received ISO 27001: 2013 on **Information Security Management System (ISMS) certification for DC/ DR/ DIT** on 07.01.2015

Your Bank is committed towards delivering best services to customers by leveraging on technology and dedicated human resources, and would tirelessly work towards maximizing shareholders' value.

With warm wishes,

Yours sincerely,

(C.VR RAJENDRAN)

Chairman & Managing Director

Place : Hyderabad

Date : 27.04.2015



NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of shareholders of Andhra Bank will be held on Wednesday, 8th July, 2015 at 11.00 A.M at Sri Satya Sai Nigamagamam, 8-3-987/2, Sri Nagar Colony, Hyderabad - 500 073 to transact the following business:

- To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015 and the Profit and Loss Account for the year ended on that date, the Report of the Board of Directors on the working and activities of the Bank for the period covered by the Accounts and the Auditors' Report on the Balance Sheet and Accounts;
- To declare dividend on Equity Shares for the FY 2014-15;
- To consider and if thought fit, to pass with or without modifications the following special resolution:

"RESOLVED THAT pursuant to the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 (Act), The Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1980 (Scheme) and Andhra Bank (Shares and Meetings) Regulations, 2003 as amended from time to time and subject to the approvals, consents, permissions and sanctions, if any, of the Reserve Bank of India ("RBI"), the Government of India ("GOI"), the Securities and Exchange Board of India ("SEBI"), and/ or any other authority as may be required in this regard and subject to such terms, conditions and modifications thereto as may be prescribed by them in granting such approvals and which may be agreed to by the Board of Directors of the Bank and subject to the regulations viz., SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR Regulations) as amended up - to - date, guidelines, if any, prescribed by the RBI, SEBI, notifications/circulars and clarifications under the Banking Regulation Act, 1949, Securities and Exchange Board of India Act, 1992 and all other applicable laws and all other relevant authorities from time to time and subject to the Listing Agreements entered into with the Stock Exchanges where the equity shares of the Bank are listed, consent of the shareholders of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter called "the Board" which shall be deemed to include any Committee which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this Resolution) to create, offer, issue and allot (including with provision for reservation on firm allotment and/ or competitive basis of such part of issue and for such categories of persons as may be permitted by the law then applicable) by way of an offer document/ prospectus or such other document, in India or abroad, such number of equity shares and/or preference shares (whether cumulative or not; convertible into equity shares or not) in accordance with the guidelines framed by RBI from time to time, specifying the class of preference shares, the extent of issue of each class of such preference shares, whether perpetual or redeemable, the terms & conditions subject to which each class of preference shares may be issued and/

or other permitted securities which are capable of being converted into equity or not, upto such amount/s (as decided by the Board or Committee of the Board of the Bank) which together with the existing paid-up equity share capital of Rs.602.85 Crores will be within Rs.3000 Crore, being the ceiling in the Authorised Capital of the Bank, as per Section 3(2A) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 or to the extent of enhanced Authorised Capital as per the Amendment (if any), that may be made to the Act in future, in such a manner that the Central Government's stake in the equity paid-up capital of the bank will not go below such percentage as may be decided by Government of India, whether at a discount or premium to the market price, in one or more tranches, including to one or more of the Members, employees of the Bank, Indian Nationals, Non-resident Indians (NRIs), Companies, Private or Public, Investment Institutions, Societies, Trusts, Research organizations, Qualified Institutional Buyers ("QIBs") like Foreign Institutional Investors ("FIIs"), Banks, Financial Institutions, Indian Mutual Funds, Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions or other entities, authorities or any other category of investors which are authorized to invest in equity / preference shares / securities of the Bank as per extant regulations/ guidelines or any combination of the above as may be deemed appropriate by the Bank".

"RESOLVED FURTHER THAT such issue, offer or allotment shall be by way of public issues or such other issues which may be provided by applicable laws, with or without over-allotment option and that such offer, issue, placement and allotment be made as per the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") and all other guidelines issued by the RBI, SEBI and any other authority as applicable, and at such time or times in such manner and on such terms and conditions as the Board may, in its absolute discretion, think fit".



“RESOLVED FURTHER THAT the Board shall have the authority to decide, at such price or prices in such manner and where necessary, in consultation with the lead managers and /or underwriters and/ or other advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide in terms of ICDR Regulations, other regulations and any and all other applicable laws, rules, regulations and guidelines to issue such securities to investors, whether or not such investor(s) are existing members of the Bank, at a price not less than the price as determined in accordance with relevant provisions of ICDR Regulations”.

“RESOLVED FURTHER THAT in accordance with the provisions of the Listing Agreements entered into with relevant stock exchanges, the provisions of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, the provisions of the Andhra Bank (Shares and Meetings) Regulations, 2003, the provisions of SEBI ICDR Regulations, the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and subject to requisite approvals, consents, permissions and/or sanctions of Securities and Exchange Board of India (SEBI), Stock Exchanges, Reserve Bank of India (RBI), Foreign Investment Promotion Board (FIPB), Department of Industrial Policy and Promotion, Ministry of Commerce (DIPP) and all other authorities as may be required (hereinafter collectively referred to as “the Appropriate Authorities”) and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission and/or sanction (hereinafter referred to as “the requisite approvals”) the Board may, at its absolute discretion, issue, offer and allot, from time to time in one or more tranches, equity shares or any securities other than warrants, which are convertible into or exchangeable with equity shares at a later date, in such a way that the Central Government’s stake in the equity paid-up capital of the bank will not go below such percentage as may be decided by Government of India, to QIBs (as defined in Chapter VIII of the ICDR Regulations) pursuant to a qualified institutional placement, as provided under Chapter VIII of the ICDR Regulations, through a placement document and / or such other documents / writings / circulars / memoranda and in such manner and on such price, terms and conditions as may be determined by the Board in accordance with the ICDR Regulations or other provisions of the law as may be prevailing at that time; provided the price inclusive of the premium of the equity shares so issued shall not be less than the price arrived in accordance with the relevant provisions of ICDR Regulations”.

“RESOLVED FURTHER THAT in case of a Qualified Institutional Placement (QIP), pursuant to Chapter VIII of the ICDR Regulations,

- a) the allotment of Securities shall only be to QIBs within the meaning of Chapter VIII of ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of this resolution;

- b) The Bank is pursuant to Proviso to Regulation 85(1) of ICDR Regulations authorized to offer shares at a discount of not more than five percent on the price so calculated for the QIP;
- c) The relevant date for the determination of the floor price of the securities shall be in accordance with the ICDR Regulations”.

“RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by the GOI / RBI / SEBI / Stock Exchanges where the shares of the Bank are listed or such other appropriate authorities at the time of according / granting their approvals, permissions and sanctions to issue, allotment and listing thereof and as agreed to by the Board.”

“RESOLVED FURTHER THAT the issue and allotment of new equity shares / preference shares / securities, if any, to NRIs, FIIs and/or other eligible foreign investments be subject to the approval of the RBI under the Foreign Exchange Management Act, 1999 as may be applicable but within the overall limits set forth under the Act”.

“RESOLVED FURTHER THAT the said new equity shares to be issued shall rank pari passu in all respects with the existing equity shares of the Bank including dividend, if any, in accordance with the statutory guidelines that are in force at the time of such declaration”.

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of equity shares / preference shares / securities, the Board, be and is hereby authorized to determine the terms of the public offer, including the class of investors to whom the securities are to be allotted, the number of shares/ securities to be allotted in each tranche, issue price, premium amount on issue as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as they may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to the public offer, issue, allotment and utilization of the issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interest of the Bank, without requiring any further approval of the members and that all or any of the powers conferred on the Bank and the Board vide this resolution may be exercised by the Board” .

“RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into and execute all such arrangements with any Book Runners, Lead Manager(s), Banker(s), Underwriter(s), Depository(ies), Registrars, Auditors and all such agencies as may be involved or concerned in such offering of equity/ preference shares/ securities and to remunerate all such institutions and agencies by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies”.



“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with the Lead Managers, Underwriters, Advisors and/ or other persons as appointed by the Bank, be and is hereby authorized to determine the form and terms of the issue(s), including the class of investors to whom the shares / securities are to be allotted, number of shares/securities to be allotted in each tranche, issue price (including premium, if any), face value, premium amount on issue, fixing of record date or book closure and related or incidental matters, listings on one or more stock exchanges in India and / or abroad, as the Board in its absolute discretion deems fit”.

“RESOLVED FURTHER THAT such of these shares/ securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law”.

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board, be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper and desirable and to settle any question, difficulty or doubt that may arise in regard to the issue, of the shares/ securities and further to do all such acts, deeds, matters and things, finalize and execute all documents and writings as may be necessary, desirable or expedient as it may in its absolute discretion deem fit, proper or desirable without being required to seek any further consent or approval of the shareholders or authorise to the end and intent, that the shareholders shall be deemed to have given their approval thereto expressly by the authority of the Resolution”.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to the Managing Director & Chief Executive Officer and/or to the Executive Director/(s) in the absence of the Managing Director & Chief Executive Officer or to the Committee of Directors to give effect to the aforesaid Resolutions.”

For and on behalf of the Board of Directors

Place: Hyderabad
Date: 29.05.2015

(Y. Amarnath)
Company Secretary

Notes:

The Explanatory Statement setting out the material facts in respect of the business of the meeting is annexed hereto.

1. Voting Rights

In terms of the provisions of sub-section (2E) of Section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, no shareholder of the corresponding new Bank, other than the Central Government, shall be entitled to exercise voting rights in respect of any shares held by him/her in excess of ten per cent of the total voting rights of all the shareholders of the Bank.

Subject to the above, as per Regulation 68 of Andhra Bank (Shares and Meetings) Regulations, 2003, each shareholder who has been registered as a shareholder on the **Cut-off date, i.e. Wednesday, 01.07.2015**, shall have one vote for each share held by him/her in remote e-voting / voting through poll.

Exercise of rights of joint holders:

As per Regulation 10 of the above Regulations, if any share stands in the names of two or more persons, the person first named in the register shall, as regards voting, be deemed to be the sole holder thereof. Thus, if shares are in the name of joint holders, then **first named person is only entitled to attend the meeting and is only eligible to vote on the Resolutions.**

2. Cut-off date for the purpose of ascertainment of shareholders entitled to receive the annual report including the notice of annual general meeting

The Bank has fixed **Friday, 29.05.2015 as the cut-off date** for the purpose of ascertaining the names of shareholders entitled to receive the Annual Report including the Notice of Annual General Meeting.

3. Appointment of proxy

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and to participate in the POLL at the venue of the General Meeting instead of himself/herself and such a proxy need not be a shareholder of the bank.

In order to be effective, the proxy form must be deposited at the Head Office of the Bank at least four days before the date of the meeting. No employee of the Bank shall be appointed as a duly authorized representative or as a proxy.

4. Appointment of a representative :

No person shall be entitled to attend or vote at the meeting as a duly authorized representative of a Company, unless a copy of the resolution appointing him as a duly authorized representative certified to be a true copy by the Chairman of the meeting at which it was passed shall have been deposited at the Head Office of the Bank at Hyderabad not less than four days before the date of the meeting.

5. Attendance slip-cum-entry pass:

For the convenience of the members, attendance slip is enclosed to this report. Members are requested to fill in and affix their signatures in the space provided therein and handover the attendance slip-cum-Entry pass at the entrance of the venue of the meeting. Proxy / Representative of the shareholder should mark on the attendance slip as proxy or representative as the case may be.



6. Book Closure:

The Register of Shareholders and Share Transfer Books would remain closed from **02.07.2015 to 07.07.2015 (both days inclusive)**.

7. Dividend :

The Board of Directors has recommended a dividend of ₹ 2.00 ps. per equity share (@20%) for the Financial Year 2014-2015. The dividend, if approved by the Shareholders at the Annual General Meeting, shall be paid to the shareholders holding shares in physical form and whose names appear in the Register of Shareholders and to the shareholders holding shares in electronic form on the basis of the beneficiary position statement provided by the Depositories as at the end of 01.07.2015. The dividend payment date is 17.07.2015.

8. Dividend payment by way of Electronic Clearing Service (ECS) :

In order to protect the investors from fraudulent encashment of their dividend warrants, the Bank has offered Electronic Clearing Service facility to the shareholders having Bank accounts at the following centers:

Ahmedabad, Allahabad, Amritsar, Aurangabad, Bangalore, Baroda, Bhopal, Bhubaneswar, Chandigarh, Chennai, Coimbatore, Dhanbad, Durgapur, Ernakulam, Erode, Goa, Guwahati, Gwalior, Haldia, Hubli, Hyderabad, Indore, Jabalpur, Jaipur, Jammu, Jodhpur, Kakinada, Kanpur, Kolkata, Lucknow, Ludhiana, Madurai, Mangalore, Mysore, Nagpur, Nellore, Nasik, NewDelhi, Patna, Pondicherry, Pune, Raipur, Rajkot, Ranchi, Salem, Siliguri, Solapur, Surat, Tiruchirapalli, Tirupathi, Tiruvananthapuram, Trissur, Varanasi, Vijayawada and Visakhapatnam.

Dividend payment by way of National Electronic Clearing Service (NECS) :

The objective of the system is to facilitate centralized processing of payment of dividend. The NECS (credit) facilitate the Issuer multiple credits to beneficiary accounts which have been covered under Core-Banking Solution. For the purpose, the shareholders have to update their bank account details by furnishing their CBS account number, MICR No., etc. to their respective Depository Participants in case of dematerialized holdings and to the Registrars & Transfer Agents in case of physical holdings. The NECS facilitates the shareholder to receive dividend in his/her account on the pay-out date itself.

9. Updating of any change in address, bank details, etc. of the shareholders :

The shareholders holding the shares in physical form are requested to inform the Bank or its Registrars for noting any change in their address, bank account details, if any, for prompt receipt of any correspondence. The shareholders holding the shares in electronic form are requested to update the change in their address, bank account details, if any, with their respective Depository

Participants.

The shareholders holding shares in physical form are requested to inform their PAN details, e-mail id, mobile no., etc. to the Bank or its Registrars for updation of shareholder details. Shareholders holding shares in electronic form are requested to update the said details with their Depository Participant.

10.Consolidation of Folios :

The shareholders who are holding shares in identical order of names in more than one account are requested to intimate to the Registrars and Transfer Agent, the ledger folio of such accounts and send the share certificates to enable the Bank to consolidate all the holdings into one account. The share certificates will be returned to the members after making necessary endorsement in due course.

11.Lodgment for Transfers :

Share Certificates along with the duly filled in transfer deed should be forwarded to the Registrars and Transfer Agents of the Bank at the following address:

M/s. MCS Share Transfer Agent Limited
(Unit: Andhra Bank)
002, Ground Floor,
Kashiram Jamnadas Building
5, P.D'Mello Road, Masjid East,
Mumbai – 400 009.

12. Requests to Shareholders :

- Please note that copies of the Annual Report will not be distributed at the Annual General Meeting as an economy measure. Hence, shareholders are requested to bring their copies of the Annual Report to the venue of the meeting.
- Shareholders may kindly note that no gifts / coupons will be distributed at the venue of the meeting.
- Shareholders are advised to avoid bringing bags / brief cases/ tape records / cameras etc. as these items are subject to a security check and may not be allowed at the venue.

13. Green Initiative:

In support of the green initiative, the Bank has sent the soft copy of the annual report through email to those shareholders who have registered their email id with their depository participant/ Bank's registrar & share transfer agent. The Bank has decided to circulate the hard copy of abridged annual report containing the salient features of all the documents, as prescribed to all those shareholder(s) who have not registered their email address(es).

Full version of the annual report will be available on the Bank's website: www.andhrabank.in. In case a shareholder wishes to receive a printed copy, he/she may please send a request to the Bank by e-mail to the id: mbd@andhrabank.co.in; upon which hard copy of full annual report will be sent to the shareholder.



14. Poll process

The voting on approval of agenda items will not be on the basis of show of hands but shall be done through POLL by means of a secret ballot, at the venue of the Annual General Meeting.

15. Voting through electronic means

In compliance with provisions of Clause 35B of the Listing Agreement with Stock Exchanges, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and in compliance with the SEBI Circular dated 17.04.2014, the Bank is pleased to offer Remote e-voting facility as an alternative mode of voting, besides physical ballot, for its Members at the Annual General Meeting which will enable them to cast their votes electronically and to pass the RESOLUTIONS.

The facility to exercise the right to vote on resolutions proposed to be considered at General Meeting by the shareholders, by electronic means has been termed as 'Remote e-voting' by Ministry of Corporate Affairs vide their Notification dated 19.03.2015. These Rules are called as the Companies (Management and Administration) Amendment Rules, 2015.

For this purpose, the Bank has appointed M/s. Central Depository Services (India) Limited (CDSL) as e-voting agency to provide the Remote e-voting platform for facilitating its Members to vote electronically. The Bank has also appointed M/s.T.R.Ramabhadran, Practising Company Secretary, Hyderabad, as the Scrutiniser for conducting the Remote e-voting and POLL process in a fair and transparent manner.

The instructions for members for voting electronically are as under:-

- (i) The remote e-voting period begins at 10.00 A.M. on 05.07.2015 and ends at 5.00 P.M. on 07.07.2015. During this period, shareholders of the Bank holding shares either in physical form or in dematerialized form, as on the cut-off date, 01.07.2015, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website : www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Bank.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user, follow the steps given below:

	For Members holding shares in Demat Form and Physical Form as on cut-off date 01.07.2015
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Bank/RTA /Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the Bank's / RTA's records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Bank's / RTA's records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or Bank / RTA, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for remote e-voting on the