



आन्ध्र बैंक ANDHRA
BANK (भारत सरकार का उपक्रम
(A Govt. of India Undertaking)
प्रधान कार्यालय Head Office
हैदराबाद Hyderabad

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NRI

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INDEX

1. Interest Rates
2. Markets at a Glance
3. Bank's Performance High lights-2009-10
4. Snippets

INTEREST RATES (%) per annum with effect from 1st May, 2010

Currency	F C N R DEPOSITS					NRE TERM DEPOSITS	
	1 Year & above to < 2 Years	2 Years & above to < 3 Years	3 Years & above to < 4 Years	4 Years & above to < 5 Years	5 years	Period	Rate of Interest (%) p.a.
USD	2.02	2.20	2.76	3.25	3.66	A) 1 year and above less than 2 years	2.77
GBP	2.37	2.75	3.28	3.69	4.02		
EURO	2.22	2.43	2.74	3.05	3.33	B) 2 years and above less than 3 years	2.95
CAD	2.57	3.17	3.68	4.04	4.30		
AUD	6.50	6.42	6.61	6.85	6.96	C) 3 years and above	3.50

(*These rates are subjected to change from time to time as per Reserve Bank of India Guidelines)

Visit Our Website www.andhrabank.in for details of accounts and to download Savings (NRE) application form to open account with our Bank. USA AND DUBAI customers may contact our Representative offices for any clarifications. Others may contact NRI CELL, HYDERABAD. Contact details are given at the end of this Bulletin.

FOREX MARKET DURING April '10					BULLION MARKET DURING April '10				
USD/INR	Open	High	Low	Close					
	44.89	44.89	44.18	44.3550					
<p>Rupee opened strong and gained against dollar and touched 10 month high as robust growth in the economy spurred FII's to raise their holding in the local stocks. India's economic prospects remain strong among the most promising emerging as well as developed markets and started attracting the investments. Broad dollar weakness against a basket of currencies and mounting speculation that china may let the Yuan appreciate, also helped the local unit to gain.</p>					<p>Bullion and with firm risk induced by sovereign debt problem in Euro Zone prompted investors to invest in yellow metal. The likelihood of a rise in the value of Chinese Yuan currency is growing, sharpening expectations for commodity markets to see price gains as Chinese consumers exploit their increased buying power. The yellow metal continued to gain tracking rise in demand from the emerging economies and ETFs as well</p>				
					Open	High	Low	Close	opened traded bias as aversion
					\$1112.40	\$1181.05	\$1111.35	\$1178.25	

G-Sec Market during April '10			Equity Market during April'10		
<p>The yield on the dated securities opened higher tracking 10 year US treasury yields and crude oil prices. However, the auction announcement in 6.35%GS2020 security and the comments by the finance ministry official that issuance of new 10 Year security may be delayed lifted the market sentiment and the yields started softening. The 10 year benchmark security touched a low of 7.7466%. The comments by member of PM economic panel that RBI may take action before the policy review scheduled on 20/04/2010, dented the market sentiments and yields started hardening. Inflation figure for the month of March came at 9.90% as compared to 9.89% in February, which also added to the selling pressure before the policy review. RBI increased Repo, Reverse Repo and CRR by 25 basis points each in the policy. This provided huge bidding momentum to the market and yields softened by 8-10 basis points across the curve. However, the worries of issuance of new 10 year security prompted the traders to sell the 6.35% GS 2020 security and its yield touched the high of 8.1539% before closing at 8.0399%</p>			<p>10 year US treasury yields and crude oil prices. However, the auction announcement in 6.35%GS2020 security and the comments by the finance ministry official that issuance of new 10 Year security may be delayed lifted the market sentiment and the yields started softening. The 10 year benchmark security touched a low of 7.7466%. The comments by member of PM economic panel that RBI may take action before the policy review scheduled on 20/04/2010, dented the market sentiments and yields started hardening. Inflation figure for the month of March came at 9.90% as compared to 9.89% in February, which also added to the selling pressure before the policy review. RBI increased Repo, Reverse Repo and CRR by 25 basis points each in the policy. This provided huge bidding momentum to the market and yields softened by 8-10 basis points across the curve. However, the worries of issuance of new 10 year security prompted the traders to sell the 6.35% GS 2020 security and its yield touched the high of 8.1539% before closing at 8.0399%</p>		
	YIELDS (%)		INDEX	BSE	NIFTY
Previous Close	7.8503		OPEN	17555.04	5249.20
OPEN	7.8825		HIGH	18047.86	5399.65
HIGH	8.1539		LOW	17276.80	5160.90
LOW	7.7466		CLOSE	17558.71	5278
CLOSE	8.0399		<p>Markets rallied during the first week on short covering in front line stocks. Markets crossed psychological 18000 mark on Sensex intraday and were not able to sustain at higher levels due to selling pressure exerted tracking Greece debt problem. Markets recovered at the week end but were not able to sustain tracking negative global cues and rate hike fears by RBI. Stable IIP data at 15.10% and less than expected inflation at 9.90% were not able to boost the sentiment. Markets further went down on rate hike fears and coupled with Goldman Sachs problem. Markets recovered the losses after RBI increased only 25 basis points. Markets traded in a narrow range with negative bias tracking weak global cues for the rest of the month. This is for your information</p>		

WE HAVE OPENED FIVE SPECIALISED NRI BRANCHES IN FIVE METROS FOR EXCLUSIVE BENEFIT OF NRIs. PLEASE AVAIL THE SERVICES OF THESE BRANCHES. CONTACT DETAILS ARE AS FOLLOWS:			
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PERFORMANCE HIGHLIGHTS OF ANDHRA BANK-FINANCIAL YEAR 2009-10

- ✚ Andhra Bank came out with another stellar performance with annual profit for the year zooming to Rs. 1,046 Crore, up from Rs 653 Crore, an increase of 60.15 %.
- ✚ Business grew 29.26% y-o-y from Rs. 1,03,818 Crore to Rs. 1,34,194 Crore.
- ✚ All the more creditable is the fact that the Asset Quality continues to be excellent, with Gross NPA standing capped at 0.86% (net NPA at 0.17%), one of the best in the industry.
- ✚ The Operating Profit of the bank continued its scorching pace of growth from Rs. 1288 Crore to Rs. 1810 Crore, a growth of 40.51%, on the back of increased non-interest income by 26.03%.
- ✚ Consequently, Net Interest Margin(NIM) moved up to a healthy 3.21% from 3.03% last year.
- ✚ The Return on Assets worked out to 1.39% as compared to 1.09% last year, whereas Book Value per share has increased from Rs. 75.20 to Rs.96.76 as at 31.3.2010.
- ✚ The Capital Adequacy was 13.93 % as on 31.3.2010 as against RBI mandated requirement of 9%.
- ✚ The Board of Directors have recommended a dividend of 50% for the year, subject to approval in the Annual General Meeting.
- ✚ The Bank opened 125 new branches during the year, predominantly in the North, West and Eastern parts of the country, thus increasing its pan India footprint.
- ✚ IndiaFirst Life Insurance, a joint venture of the Bank with Bank of Baroda and Legal & General insurance, (UK) was launched on 1st Jan'10 for rolling out products.
- ✚ In the first three months itself the Bank has sold 19689 policies and collected premium of Rs.53.44 crore and earned commission of approx Rs. 2 crore. Setting up of Banking subsidiary jointly with Bank of Baroda and Indian Overseas Bank in Malaysia is in the final stages

Business Growth:

- ✚ **Deposits:** Total deposits of the Bank increased by Rs.18,298 crore to Rs. 77,688 crore from Rs. 59,390 crore as on 31.3.2009, recording a growth of 30.81 %.
- ✚ **Advances :** The Gross Bank Credit stood at Rs. 56,505 crore as on 31.3.2010, registering an increase of Rs. 12,077 crore over the previous year, with growth rate of 27.19 %. The Credit Deposit ratio stood at 73.05 %.
- ✚ **Advances to Agriculture sector** increased from Rs. 6,834 crore as on 31.3.2009 to Rs. 9,173 crore as on 31.3.2010, registering a growth of 34.23%.
- ✚ **Total Priority Sector advances** constituted 42.79 % of Adjusted Net Bank Credit which is well above the RBI norm of 40% . Like wise, Agricultural advances constituted 20.65% of Adjusted Net Bank Credit against RBI norm of 18%.

Network :

- ✚ The Bank's network spread across 2,502 business delivery channels comprising 1557 branches, 48 Extension counters and 859 ATMs spread across 23 States and 3 Union Territories. During the year, the Bank opened 125 branches.

Clientele expansion :

- ✚ 16.44 lakh new accounts were opened in the CASA group during the year .

Asset Quality & Recovery

NPAs : Gross NPAs stood at 0.86% as compared to 0.83 % as on 31.3.2009 . Net NPAs stood at 0.17 % as on 31.3.2010 compared to 0.18 % as on 31.3.2009. In absolute terms, the Gross NPA was Rs 487.87 crore (previous year Rs.368.14 Crore) and Net NPAs stood at Rs.95.72 crores (previous year Rs 79.22 crore).

Capital

- ✚ **Capital Adequacy Ratio:** The Capital Adequacy Ratio under Basel II norms was 13.93 % as on 31.3.2010 as compared to 13.22 % as on 31.3.2009.
- ✚ **Networth :** The Networth of the Bank stood at Rs. 4,692.82 crore as on 31.3.2010, compared to Rs.3,646.99 Crore as on 31.3.2009.
- ✚ **Return on Equity:** The Return on Equity was 25.08 % for the year ended 31.3.2010 as compared to 18.94% for the previous year.
- ✚ **Earning Per Share:** The Earnings per share has gone up from Rs.13.46 in FY 2008-09 to Rs. 21.56 in FY 2009-'10 with an increase of 60.18 %.
- ✚ **Book Value Per Share:** The Book Value Per Share was at Rs 96.76 as at 31.3.2010 as compared to Rs.75.20 as at 31.3.2009, an increase of 28.67 %.

Productivity Ratios :

- ✚ **Cost of Deposits :** The Cost of deposits stood at 6.10 % p.a as against 6.96 % in 2008-09.
- ✚ **Yield on Advances** stood at 10.92 % p.a compared to 11.41 % in 2008-09.

SNIPPETS

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8 Indians Among 18 South Asians Elected To British Parliament

LONDON - Setting a new record for representation of Asians in the UK, a record number of 18 candidates, including eight Indian-origins have made their way into the prestigious British House of Commons after emerging victorious in the just concluded UK parliamentary polls. A record number of eight Indian-origin candidates including two women have been elected to the parliament. Another ten Asian candidates, mostly of Pakistan origin, have also won in the general election. They included three Muslim women - all Labour - elected to the 650-member House of Commons. Prominent among the Indian-origin candidate is Keith Vaz who has been re-elected from the Leicester East constituency for the sixth time, gaining a bigger vote than ever before.

New UK govt to have annual cap on immigrants

London, May 12: Skilled professionals and students from India will find it more difficult to come to Britain as the new David Cameron government puts in place the Conservative party's immigration policy that seeks a drastic annual reduction of migrants. The immigration policy of the new coalition government will put an annual limit and new curbs on migrants from India and other countries outside the European Union. The overall goal of the Conservative party's policy is to reduce net immigration to the levels of the 1990s "tens of thousands a year, instead of the hundreds of thousands every year under the Labour government". The Conservative party's policy adopted by the new government says: "We will introduce an annual limit on the numbers of non-EU economic migrants allowed to work here, taking into consideration the effects a rising population has on our public services and local communities. The limit would change each year to take into account the wider effects of immigration on society". The policy also commits the new government to "introduce important new rules to tighten up the student visa system, which at the moment is the biggest hole in our border controls". To promote integration into British society, there will be an English language test for anyone coming here from outside the EU to get married, the party's immigration policy says. The policy says: "Britain can benefit from immigration, but not uncontrolled immigration. "We want to continue to attract the brightest and the best people to the UK, but with control on the overall numbers coming here

US degree maybe passport to green cards

Washington, May 01: An advanced degree from US universities may well prove to be a passport for a US green card, or permanent residency, if a proposal by top Democratic senators to attract the world's "best and the brightest" is accepted. India, which sends the highest number of students to the US, stands to benefit most from the proposal by Senate majority leader Harry Reid and senators Charles Schumer and Bob Menendez. The senators have also proposed tightening of rules for H-1B and L1 visas, coveted by Indians. H1B visas allow US employers to temporarily employ foreign workers in speciality occupations for six years. L1B allows companies operating both in the US and abroad to transfer certain classes of employees from its foreign operations to the US operations for up to seven years. The proposals "will reform America's high-skilled immigration system to permanently attract the world's best and brightest while preventing the loss of American jobs to temporary foreign labour contractors", the three senators said. "Foreign students will be permitted to enter the US with immigrant intent if they are a bona fide student so long as they pursue a full course of study at an institution of higher education in a field of science, technology, engineering or mathematics," they proposed. Under the current regulations, those seeking permanent status can apply for a green card after six years of stay on an H1B visa. It may take several years after that to get the coveted card

Govt to allow NRIs to invest in infra bonds

New Delhi, April 22: Government on Wednesday said it was considering allowing NRIs to invest in infrastructure bonds to mop up USD five billion for key projects in ports, roads and power sector. "The government proposes to invite NRIs' investment in infrastructure bonds for an estimated amount of USD five billion (Rs 22,500 crore)," Overseas Indian Affairs Minister Vayalar Ravi told Lok Sabha in reply to a question. The idea was floated by several NRIs at the Pravasi Bharatiya Divas held here in January and later they found support from Road Transport and Highways Minister Kamal Nath. Speaking at the conference, Nath had requested Finance Minister Pranab Mukherjee to look into the issue of allowing NRIs to invest in infrastructure bonds. If these bonds come up, they would be the second major initiatives of this type after SBI' Resurgent India Bonds floated in late 1990s for raising resources from overseas players for infrastructure sector in India

RBI revises norms of pricing for transfer of shares, pref. shres and CDs

The Reserve Bank of India on Tuesday revised the pricing norms for transfer of shares, preference shares and convertible debentures by way of sale from residents to non-residents and vice-versa. "These directions will become operative with immediate effect," the RBI stated. In the case of transfer by resident to non-resident (that is, to foreign national, NRI, FII and incorporated non-resident entity other than erstwhile OCB), the RBI stipulated that the shares of an Indian company are listed on a recognised stock exchange in India, "the price of shares transferred by way of sale shall not be less than the price at which a preferential allotment of shares can be made under the SEBI Guidelines, as applicable, provided that the same is determined for such duration as specified therein, preceding the relevant date, which shall be the date of purchase or sale of shares." In the case of transfer by non-resident (that is, by incorporated non-resident entity, erstwhile OCB, foreign national, NRI and FII) to a resident, the RBI directed that "the price of shares transferred by way of sale, by non-resident to resident shall not be more than the minimum price at which the transfer of shares can be made from a resident to a non-resident

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